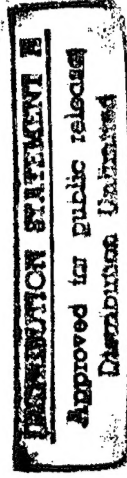


DEPARTMENT OF THE NAVY  
FY 1998/1999 BIENNIAL BUDGET ESTIMATES



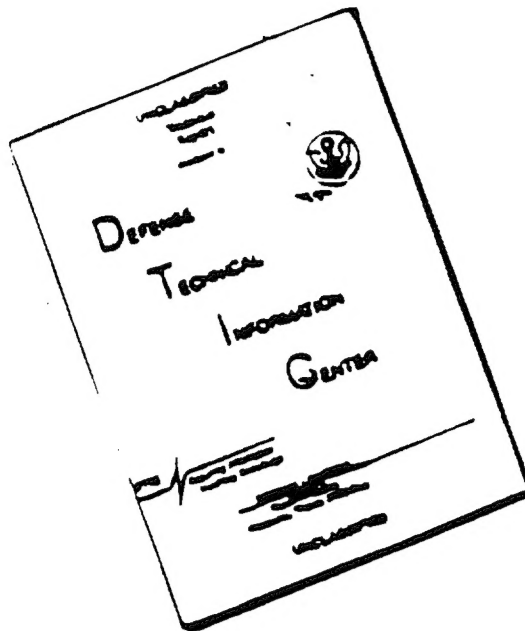
JUSTIFICATION OF ESTIMATES

MILITARY PERSONNEL, NAVY

19970311 104 February 1997

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JUSTIFICATION OF ESTIMATES  
MILITARY PERSONNEL, NAVY

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SECTION 2  
MILITARY PERSONNEL, NAVY  
INTRODUCTION

THE MILITARY PERSONNEL, NAVY (MPN) APPROPRIATION PROVIDES RESOURCES NECESSARY TO COMPENSATE ACTIVE DUTY MILITARY PERSONNEL REQUIRED TO MAN APPROVED FORCE STRUCTURE AND SUPPORT INFRASTRUCTURE, INCLUDING THOSE OFFICER AND ENLISTED PERSONNEL WITHIN THE INDIVIDUALS ACCOUNT: STUDENTS, TRAINEES, TRANSIENTS, PATIENTS, PRISONERS, HOLDERS, AND MIDSHIPMEN. THE MPN MANPOWER PROGRAM DOES NOT INCLUDE RESERVE PERSONNEL, NAVY (RPN) DATA. THE NAVY'S PRIMARY FOCUS, AS WE EVOLVE INTO A SMALLER FORCE, CONTINUES TO BE PERSONNEL READINESS AND QUALITY OF LIFE. THE FY 1998/1999 BUDGET INCLUDES FUNDING FOR THE ANNUALIZATION OF THE 3.0% FY 1997 PAY RAISE, A 2.8% FY 1998 PAY RAISE, AND A 3.0% FY 1999 PAY RAISE. OUR MAJOR OBJECTIVES INCLUDE:

- MAXIMUM READINESS THROUGH SELECTIVE RETENTION OF QUALIFIED AND EXPERIENCED PERSONNEL.
- IMPROVED QUALITY AND MIX OF PERSONNEL WITH THE REQUISITE TECHNICAL KNOWLEDGE AND EXPERIENCE LEVEL TO SUSTAIN STATE-OF-THE-ART WEAPONS AND EQUIPMENT THROUGH THE TURN OF THE CENTURY.
- IMPROVED QUALITY OF LIFE BY:
  - PROVIDING MEANINGFUL AND CHALLENGING ASSIGNMENTS
  - MAINTAINING REWARDING CAREER PATHS AND ADEQUATE ADVANCEMENT OPPORTUNITIES
  - ATTAINING EQUITABLE SEA/SHORE DUTY ASSIGNMENT ROTATIONS FOR ALL RATINGS.
  - REINFORCING THE NAVY'S COMMITMENT TO PERSONNEL AND THEIR FAMILIES, BY MAINTAINING ADEQUATE COMPENSATION AND MEMBER/FAMILY SUPPORT FACILITIES (MEDICAL, CHILD CARE, HOUSING, ETC.).
- MAXIMUM CAREER OPPORTUNITIES FOR ALL SAILORS INCLUDING WOMEN AND MINORITIES WITHIN THE CONSTRAINTS OF LAW.

FUNDING REQUESTED IN THE FY 1998/1999 DEPARTMENT OF THE NAVY BUDGET SUBMISSION MEETS END STRENGTH CONTROLS OF 402,013 IN FY 1997, 390,802 IN FY 1998, AND 384,888 IN FY 1999. END STRENGTH REDUCTIONS OF 11,211 WILL BE REALIZED IN FY 1998 AND 5,914 IN FY 1999.

FY 1998 BATTLE FORCE SHIPS SHOW A NET REDUCTION OF 7 SHIPS. FY 1998 GAINS INCLUDE 1 NUCLEAR AIRCRAFT CARRIER (CVN), 1 FAST COMBAT SUPPORT SHIP (AOE), 3 ARLEIGH BURKE DESTROYERS (DDG), 1 AMPHIBIOUS ASSAULT SHIP (LHD), 1 DOCK LANDING SHIP (LSD), 2 MINE WARFARE SHIP (MHC), 2 MILITARY SEALIFT COMMAND AMMUNITION SHIPS (T-AE), AND 1 SEAWOLF ATTACK SUBMARINE (SSN-22). FY 1998 REDUCTIONS INCLUDE 1 AIRCRAFT CARRIER (CV), 1 NUCLEAR CRUISER (CGN), 5 FRIGATES (FFG), 2 AMMUNITION SHIPS (AE), 2 AMPHIBIOUS ASSAULT SHIPS (LPH), AND 8 NUCLEAR ATTACK SUBMARINES. FY 1999 CHANGES INCLUDE A NET REDUCTION OF 11 SHIPS. GAINS INCLUDE 4 ARLEIGH BURKE DESTROYERS (DDG), LOSSES INCLUDE 3 FRIGATES (FFG) AND 11 NUCLEAR ATTACK SUBMARINES (SSN), AND 1 SUBMARINE TENDER (AS). IN FY 1998, THE NAVY WILL MAINTAIN 10 ACTIVE AND 1 RESERVE AIR WING. ONE (1) TACTICAL ELECTRONIC WARFARE SQUADRON (VAQ) WILL BE COMMISSIONED AND VXE-6, THE ANTARCTIC SUPPORT SQUADRON, WILL BE DECOMMISSIONED. NO CHANGES TO NAVAL AVIATION WILL OCCUR IN FY 1999.

OFFICER AND ENLISTED END STRENGTH REDUCTIONS WILL BE ACCOMPLISHED THROUGH NATURAL ATTRITION, REDUCED ACCESSIONS, AND OTHER PERSONNEL MANAGEMENT TOOLS. SKILLED PERSONNEL WITH LESS THAN 15 YEARS OF SERVICE WILL BE RETAINED TO THE GREATEST EXTENT POSSIBLE TO MEET NAVY REQUIREMENTS AND REDUCE TRAINING COSTS.

ENLISTED ACCESSION PLANS RESUME RECRUITMENT NEAR THE LEVEL REQUIRED TO SUSTAIN THE FUTURE FORCE. SUSTAINED EMPHASIS ON RECRUIT QUALITY STANDARDS ENSURE THAT PLANNED ENLISTED ACCESSIONS ARE MATURE, TECHNICALLY PROFICIENT PERSONNEL. PRIOR SERVICE ACCESSIONS ARE LIMITED TO THE MINIMUM REQUIRED TO MAN CRITICAL SHORTAGE SKILLS.

THE ENLISTMENT BONUS (EB) IS A TOOL USED TO ATTRACT HIGH QUALITY PERSONNEL WHO MIGHT OTHERWISE FIND GREATER FINANCIAL REWARDS IN THE CIVILIAN MARKETPLACE. THOSE RECRUITED UNDER THIS PROGRAM FILL HIGHLY TECHNICAL OR UNIQUE SKILLS SUCH AS NUCLEAR PROPULSION PLANT OPERATORS, CROATIAN LINGUISTS, AND MORTICIANS. IN ADDITION, THE BONUS IS USED TO ENCOURAGE RECRUITMENT ACROSS THE MONTHS OF THE YEAR, NOT JUST THE PRIMARY SUMMER MONTHS. THIS PERMITS A MORE LEVEL LOADING OF THE TRAINING PIPELINE AND THE BEST UTILIZATION OF ALL OUR PERSONNEL.

THE SELECTIVE REENLISTMENT BONUS (SRB) CONTINUES TO REMAIN THE MOST COST EFFECTIVE METHOD OF RETAINING TOP NOTCH, TECHNICALLY TRAINED PERSONNEL IN CRITICALLY MANNED, HIGHLY TECHNICAL SKILLS THUS PRODUCING AN ENLISTED FORCE ABLE TO MEET THE MISSION REQUIREMENTS OF THE FUTURE. MANY OF THESE SKILLS, SUCH AS NUCLEAR PROPULSION TECHNICIAN, MEDICAL TECHNICIAN SPECIALISTS, ADVANCED ELECTRONIC COMPUTER SPECIALISTS, AND FOREIGN LANGUAGE SPECIALISTS ARE IN GREAT DEMAND IN THE CIVILIAN SECTOR. THEREFORE, ADEQUATE REENLISTMENT INCENTIVES ARE REQUIRED TO COUNTER THE POTENTIAL LOSS OF THIS TALENT AND EXPERIENCE.

AS REQUIRED BY THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993, ONGOING MANAGEMENT ACTION IS IN PROGRESS TO REDUCE PERSONNEL TURBULENCE. WHERE POSSIBLE, TOUR LENGTHS HAVE BEEN INCREASED AND LOW OR NO-COST MOVES HAVE BEEN UTILIZED TO FILL REQUIREMENTS WITHIN GIVEN GEOGRAPHIC AREAS.

APPLICABLE AUDITS HAVE BEEN INCORPORATED IN THIS BUDGET.

THE PRICING POLICY USED IN THE PREPARATION OF THE APPROPRIATION REQUEST ALLOWS FOR CONSIDERATION OF INFLATION-GENERATED PRICE ADJUSTMENTS FOR GOODS AND SERVICES, CONSISTENT WITH ANNOUNCED RATE INCREASES OR INCREASES EXPECTED TO OCCUR BASED ON APPROVED ECONOMIC ASSUMPTIONS. THE PROGRAMS AFFECTED BY THIS PRICING POLICY ARE PERMANENT CHANGE OF STATION (PCS) TRAVEL, ENLISTED CLOTHING AND TEMPORARY LODGING ALLOWANCES.

SECTION 3  
SUMMARY OF MILITARY PERSONNEL STRENGTH

	FY 1996 ACTUALS			FY 1997 PLANNED			FY 1998 PLANNED			FY 1999 PLANNED		
	WORKYEARS	END STRENGTH 30 SEPT 1996		WORKYEARS	END STRENGTH 30 SEPT 1997		WORKYEARS	END STRENGTH 30 SEPT 1998		WORKYEARS	END STRENGTH 30 SEPT 1999	
DIRECT PROGRAM												
-----												
OFFICERS	56,455	55,978		54,701	54,619		53,178	54,148		52,618	53,498	
ENLISTED	360,140	351,330		341,888	338,051		328,116	327,977		315,350	322,929	
CADETS/MIDSHIPMEN	3,946	4,210		3,855	4,000		3,854	4,000		3,854	4,000	
	-----	-----		-----	-----		-----	-----		-----	-----	
SUB-TOTAL	420,541	411,518		400,444	396,670		385,148	386,125		371,822	380,427	
REIMBURSABLE PROGRAM												
-----												
OFFICERS	1,569	1,499		1,573	1,646		1,597	1,547		1,529	1,510	
ENLISTED	3,989	3,718		3,708	3,697		3,414	3,130		3,041	2,951	
	-----	-----		-----	-----		-----	-----		-----	-----	
SUB-TOTAL	5,558	5,217		5,281	5,343		5,011	4,677		4,570	4,461	
TOTAL PROGRAM												
-----												
OFFICERS	58,024	57,477		56,274	56,265		54,775	55,695		54,147	55,008	
ENLISTED	364,129	355,048		345,596	341,748		331,530	331,107		318,391	325,880	
CADETS/MIDSHIPMEN	3,946	4,210		3,855	4,000		3,854	4,000		3,854	4,000	
	-----	-----		-----	-----		-----	-----		-----	-----	
TOTAL	426,099	416,735		405,725	402,013		390,159	390,802		376,392	384,888	
	=====	=====		=====	=====		=====	=====		=====	=====	

MILITARY PERSONNEL, NAVY  
END STRENGTH BY GRADE 1/  
(TOTAL PROGRAM)

	FY 1996		FY 1997		FY 1998		FY 1999	
	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED
<b>COMMISSIONED OFFICERS</b>								
0-10 ADMIRAL	10	0	10	0	10	0	10	0
0-9 VICE ADMIRAL	29	2	29	2	29	2	29	2
0-8 REAR ADMIRAL (UPPER HALF)	77	2	77	2	77	2	77	2
0-7 REAR ADMIRAL (LOWER HALF)	100	18	100	18	100	18	100	18
0-6 CAPTAIN	3,304	166	3,359	195	3,240	189	3,005	187
0-5 COMMANDER	7,133	312	6,934	349	7,052	343	6,921	340
0-4 COMMANDER	11,063	373	10,818	410	11,055	376	11,409	366
0-3 LIEUTENANT	20,527	515	20,067	572	19,316	524	18,571	505
0-2 LIEUTENANT (JG)	6,570	74	6,379	58	6,070	55	6,161	53
0-1 ENSIGN	6,571	10	6,737	11	7,101	9	7,148	9
TOTAL	55,384	1,472	54,510	1,617	54,050	1,518	53,431	1,482
<b>WARRANT OFFICERS</b>								
W-4 CHIEF WARRANT OFFICER	412	8	349	8	269	8	259	8
W-3 CHIEF WARRANT OFFICER	815	16	808	17	750	17	692	16
W-2 CHIEF WARRANT OFFICER	866	3	598	4	626	4	626	4
W-1 CHIEF WARRANT OFFICER	0	0	0	0	0	0	0	0
TOTAL	2,093	27	1,755	29	1,645	29	1,577	28
TOTAL OFFICER PERSONNEL	57,477	1,499	56,265	1,646	55,695	1,547	55,008	1,510
<b>ENLISTED PERSONNEL</b>								
E-9 MASTER CHIEF PETTY OFFICER	3,207	63	3,287	62	3,083	53	2,980	50
E-8 SENIOR CHIEF PETTY OFFICER	8,052	138	7,405	137	6,999	128	6,604	123
E-7 CHIEF PETTY OFFICER	27,046	444	26,545	494	25,418	468	25,444	446
E-6 1ST CLASS PETTY OFFICER	62,684	918	59,305	1,008	56,425	944	54,046	909
E-5 2ND CLASS PETTY OFFICER	77,625	1,311	73,924	1,105	70,958	716	70,610	666
E-4 3RD CLASS PETTY OFFICER	70,902	591	68,553	756	68,671	730	68,235	691
E-3 SEAMAN	56,595	253	49,656	135	42,356	91	40,776	66
E-2 SEAMAN APPRENTICE	28,476	0	27,701	0	28,301	0	27,261	0
E-1 SEAMAN RECRUIT	20,461	0	25,372	0	28,896	0	29,924	0
TOTAL	355,048	3,718	341,748	3,697	331,107	3,130	325,880	2,951
TOTAL OFFICER AND ENLISTED	412,525	5,217	398,013	5,343	386,802	4,677	380,888	4,461
<b>CADETS/MIDSHIPMEN</b>								
CADETS/MIDSHIPMEN	4,210	0	4,000	0	4,000	0	4,000	0
<b>NAVAL AVIATION CADETS</b>								
NAVAL AVIATION CADETS	0	0	0	0	0	0	0	0
MIDSHIPMEN	4,210	0	4,000	0	4,000	0	4,000	0
TOTAL END STRENGTH	416,735	5,217	402,013	5,343	390,802	4,677	384,888	4,461

1/ INCLUDES REIMBURSABLE ACTIVE DUTY MILITARY PERSONNEL STRENGTHS, BUT EXCLUDES ACTIVE DUTY MILITARY PERSONNEL PAID FROM RESERVE APPROPRIATIONS.

**MILITARY PERSONNEL, NAVY  
AVERAGE STRENGTH BY GRADE 1/  
(TOTAL PROGRAM)**

	FY 1996		FY 1997		FY 1998		FY 1999	
	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED	TOTAL	REIMBURSABLES INCLUDED
<b>COMMISSIONED OFFICERS</b>								
0-10 ADMIRAL	9	0	10	0	10	0	10	0
0-9 VICE ADMIRAL	29	1	29	2	29	2	29	2
0-8 REAR ADMIRAL (UPPER HALF)	72	1	77	2	77	2	77	2
0-7 REAR ADMIRAL (LOWER HALF)	109	21	101	18	100	18	100	18
0-6 CAPTAIN	3,320	208	3,179	181	3,094	192	2,980	188
0-5 COMMANDER	7,155	311	6,972	330	6,844	346	6,767	342
0-4 LIEUTENANT COMMANDER	11,037	414	10,760	391	10,732	393	10,953	371
0-3 LIEUTENANT	20,850	496	20,423	543	19,569	548	18,689	514
0-2 LIEUTENANT (JG)	6,843	77	6,506	66	6,292	57	6,150	54
0-1 ENSIGN	6,423	11	6,273	11	6,500	10	6,740	9
<b>TOTAL</b>	<b>55,847</b>	<b>1,540</b>	<b>54,330</b>	<b>1,544</b>	<b>53,047</b>	<b>1,568</b>	<b>52,495</b>	<b>1,500</b>
<b>WARRANT OFFICERS</b>								
W-4 CHIEF WARRANT OFFICER	423	9	392	8	308	8	265	8
W-3 CHIEF WARRANT OFFICER	861	16	828	17	785	17	727	17
W-2 CHIEF WARRANT OFFICER	892	4	724	4	635	4	660	4
W-1 CHIEF WARRANT OFFICER	1	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,177</b>	<b>29</b>	<b>1,944</b>	<b>29</b>	<b>1,728</b>	<b>29</b>	<b>1,652</b>	<b>29</b>
<b>TOTAL OFFICER PERSONNEL</b>	<b>58,024</b>	<b>1,569</b>	<b>56,274</b>	<b>1,573</b>	<b>54,775</b>	<b>1,597</b>	<b>54,147</b>	<b>1,529</b>
<b>ENLISTED PERSONNEL</b>								
E-9 MASTER CHIEF PETTY OFFICER	3,189	78	3,206	63	3,111	58	2,873	52
E-8 SENIOR CHIEF PETTY OFFICER	8,097	159	7,532	138	7,411	133	6,609	125
E-7 CHIEF PETTY OFFICER	26,789	512	26,360	469	24,918	481	24,391	457
E-6 1ST CLASS PETTY OFFICER	65,150	1,022	61,634	963	58,083	976	55,232	927
E-5 2ND CLASS PETTY OFFICER	80,315	1,306	75,755	1,208	72,658	910	70,020	691
E-4 3RD CLASS PETTY OFFICER	73,803	641	69,526	673	67,358	743	65,544	710
E-3 SEAMAN	58,515	271	52,448	194	45,715	113	41,899	79
E-2 SEAMAN APPRENTICE	27,303	0	27,234	0	27,341	0	25,778	0
E-1 SEAMAN RECRUIT	20,988	0	21,901	0	24,935	0	26,045	0
<b>TOTAL ENLISTED</b>	<b>364,129</b>	<b>3,989</b>	<b>345,596</b>	<b>3,708</b>	<b>331,530</b>	<b>3,414</b>	<b>318,391</b>	<b>3,041</b>
<b>TOTAL OFFICER AND ENLISTED</b>	<b>422,153</b>	<b>5,558</b>	<b>401,870</b>	<b>5,281</b>	<b>386,305</b>	<b>5,011</b>	<b>372,538</b>	<b>4,570</b>
<b>CADETS/MIDSHIPMEN</b>								
NAVAL AVIATION CADETS	0	0	0	0	0	0	0	0
MIDSHIPMEN	3,946	0	3,855	0	3,854	0	3,854	0
<b>TOTAL AVERAGE STRENGTH</b>	<b>426,099</b>	<b>5,558</b>	<b>405,725</b>	<b>5,281</b>	<b>390,159</b>	<b>5,011</b>	<b>376,392</b>	<b>4,570</b>

1/ INCLUDES REIMBURSABLE ACTIVE DUTY MILITARY PERSONNEL STRENGTHS, BUT EXCLUDES ACTIVE DUTY MILITARY PERSONNEL PAID FROM RESERVE APPROPRIATIONS.

	FY 1996			FY 1997			FY 1998			FY 1999						
	OFFICER	ENLISTED	MIDS/CADS TOTAL 2/	OFFICER	ENLISTED	MIDS/CADS TOTAL 2/	OFFICER	ENLISTED	MIDS/CADS TOTAL 2/	OFFICER	ENLISTED	MIDS/CADS TOTAL 2/				
SEP	58.8	371.7	4.2	434.6	57.5	355.0	4.2	416.7	56.3	341.7	4.0	402.0	55.7	331.1	4.0	390.8
OCT	58.5	371.2	4.1	433.7	57.1	352.8	4.0	413.8	55.2	338.2	4.0	397.4	54.8	325.1	4.0	383.9
NOV	58.1	369.9	4.1	432.1	57.0	352.7	4.0	413.7	54.8	335.8	4.0	394.6	54.3	321.3	4.0	379.6
DEC	58.1	369.8	4.1	432.0	56.9	350.7	4.0	411.6	54.7	333.3	4.0	392.0	54.0	317.9	4.0	375.9
JAN	57.9	369.3	4.0	431.3	56.8	348.5	3.9	409.2	54.7	331.1	3.9	389.7	53.9	315.1	3.9	372.9
FEB	57.5	368.2	4.0	429.7	56.3	346.3	3.9	406.5	54.6	329.9	3.9	388.4	53.8	314.5	3.9	372.3
MAR	57.2	367.1	4.0	428.3	55.7	343.9	3.9	403.5	54.4	328.8	3.9	387.0	53.6	313.9	3.9	371.4
APR	57.1	364.8	4.0	425.9	55.6	341.7	3.9	401.2	54.3	328.0	3.9	386.1	53.5	313.4	3.9	370.8
MAY	58.3	361.9	3.0	423.2	56.2	340.6	2.9	399.7	54.9	327.3	3.0	385.2	54.3	312.7	3.0	370.0
JUN	58.3	361.3	3.0	422.6	56.1	340.1	2.9	399.0	54.9	328.9	2.9	386.8	54.4	316.4	2.9	373.7
JUL	58.1	359.5	4.1	421.8	55.8	340.8	4.1	400.6	54.7	330.0	4.0	388.8	54.1	319.6	4.0	377.7
AUG	57.8	356.4	4.1	418.3	55.5	340.8	4.0	400.3	54.6	330.6	4.0	389.2	54.1	322.3	4.0	380.5
SEP	57.5	355.0	4.2	416.7	56.3	341.7	4.0	402.0	55.7	331.1	4.0	390.8	55.0	325.9	4.0	384.9
AVG	58.0	364.1	3.9	426.1	56.3	345.6	3.9	405.7	54.8	331.5	3.9	390.2	54.1	318.4	3.9	376.4
ADSW (MANDAYS)	56.9	30.6	0.0	87.5	56.9	27.0	0.0	83.9	56.9	27.0	0.0	83.9	56.9	27.0	0.0	83.9
ADSW (\$000)	3/ 13,763.4	3,120.6	0.0	16,894.0	14,177.7	2,871.6	0.0	17,049.3	14,568.8	2,954.9	0.0	17,543.6	15,026.4	3,043.5	0.0	18,069.9

1/ INCLUDES REIMBURSABLE ACTIVE DUTY MILITARY PAY STRENGTH, BUT EXCLUDES ACTIVE DUTY MILITARY PERSONNEL PAID FROM RESERVE APPROPRIATIONS.

2/ MONTHLY TOTALS MAY NOT ADD DUE TO ROUNDING.

**3/ COSTED AT COMPOSITE STANDARD MILITARY RATES.**

#### 4/ ACTUAL STRENGTH THROUGH NOVEMBER 1998.

GAINS AND LOSSES BY SOURCE AND TYPE

OFFICERS

	FY 1996	FY 1997	FY 1998	FY 1999
BEGIN STRENGTH	58,788	57,477	56,265	55,695

GAINS

NAVAL ACADEMY	767	798	805	805
RESERVE OFFICER'S TRAINING CORPS	862	778	922	1,050
SENIOR ROTC	(97)	(93)	(122)	(150)
SCHOLARSHIP	(765)	(885)	(900)	(940)
HEALTH PROFESSIONS SCHOLARSHIPS	188	287	288	288
RESERVE OFFICER CANDIDATES	0	0	0	0
OTHER ENLISTED COMMISSIONING PROGRAMS	1,307	1,551	1,603	1,503
VOLUNTARY ACTIVE DUTY	2,021	1,983	1,980	1,980
DIRECT APPOINTMENTS	643	633	696	696
WARRANT OFFICER PROGRAMS	196	170	228	200
OTHER	82	39	49	49
GAIN ADJUSTMENT	98	142	0	0

TOTAL GAINS

	6,164	6,381	6,571	6,571
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LOSSES

EXPIRATION OF CONTRACT/OBLIGATION	431	422	491	493
NORMAL EARLY RELEASE	108	105	123	123
RETIREMENT	2,399	2,516	2,226	2,333
DISABILITY	(120)	(120)	(120)	(120)
NON-DISABILITY	(1,703)	(2,024)	(2,106)	(2,213)
TERA	(576)	(372)	0	0
VOLUNTARY SEPARATION - VSI	4	21	0	0
VOLUNTARY SEPARATION - SSB	0	0	0	0
INVOLUNTARY SEPARATION - RESERVE OFFICERS	100	96	93	93
INVOLUNTARY SEPARATION - REGULAR OFFICERS	436	394	207	207
REDUCTION-IN-FORCE	0	0	0	0
ATTRITION	3,611	3,566	3,901	3,909
OTHER	177	118	100	100
LOSS ADJUSTMENT	209	355	0	0

TOTAL LOSSES

	7,475	7,593	7,141	7,258
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END STRENGTH

	57,477	56,265	55,695	55,008
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# GAINS AND LOSSES BY SOURCE AND TYPE

## ENLISTED

	FY 1996	FY 1997	FY 1998	FY 1999
BEGIN STRENGTH	371,670	355,048	341,748	331,107
GAINS				
NON-PRIOR SERVICE ENLISTMENTS	38,543	47,128	46,666	46,630
MALE	(32,909)	(40,510)	(38,708)	(38,672)
FEMALE	(5,634)	(6,618)	(7,958)	(7,958)
PRIOR SERVICE ENLISTMENT	2,283	1,039	1,000	1,000
REENLISTMENTS	40,146	43,702	35,457	30,379
RESERVES (USNR PRIOR SERVICE)	20	22	0	0
NAVY RESERVE (2/3 X 6) PROGRAM	7,754	4,317	4,352	3,872
OFFICER CANDIDATE PROGRAMS	1,327	1,615	1,334	1,295
RETURNED FROM DROPPED FROM ROLLS	2,524	2,695	2,636	2,628
GAIN ADJUSTMENT	30	5	0	0
TOTAL GAINS	92,627	100,523	91,445	85,804

## LOSSES

ETS	23,490	25,011	22,246	19,246
NORMAL EARLY RELEASE	0	0	0	0
PROGRAMMED EARLY RELEASE	0	0	0	0
SEPARATIONS - VSI	7	0	0	0
SEPARATIONS - SSB	195	0	0	0
TO COMMISSIONED OFFICER	1,366	1,551	1,653	1,503
TO WARRANT OFFICER	196	170	228	200
REENLISTMENTS	40,146	43,702	35,457	30,379
RETIREMENTS	10,415	8,194	7,946	6,988
TERA	(3,548)	(1,200)	0	0
DROPPED FROM ROLLS (DESSERTERS)	1,682	1,719	1,668	1,693
ATTRITION (ADVERSE CAUSES)	11,845	9,638	10,726	11,147
ATTRITION (OTHER)	17,524	17,191	16,404	15,934
RESERVE COMPONENTS	2,270	6,640	5,760	3,941
LOSS ADJUSTMENTS	113	7	0	0
TOTAL LOSSES	109,249	113,823	102,086	91,031
END STRENGTH	355,048	341,748	331,107	325,880

GAINS AND LOSSES BY SOURCE AND TYPE

CADETS/MIDSHIPMEN

	FY 1996	FY 1997	FY 1998	FY 1999
<b>GAINS</b>				
ENTERING MIDSHIPMEN	1,380	1,212	1,212	1,212
ENTERING NAVAL AVIATION CADETS	2	0	0	0
<b>TOTAL GAINS</b>	<b>1,382</b>	<b>1,212</b>	<b>1,212</b>	<b>1,212</b>
<b>LOSSES</b>				
NAVAL AVIATION CADETS				
ATTRITION	0	0	0	0
GRADUATES	2	0	0	0
<b>TOTAL LOSSES CADETS</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>MIDSHIPMEN</b>				
ATTRITION	401	517	307	307
GRADUATES	928	905	905	905
<b>TOTAL LOSSES MIDSHIPMEN</b>	<b>1,329</b>	<b>1,422</b>	<b>1,212</b>	<b>1,212</b>

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
1. BASIC PAY	2,356,472	6,330,325	8,686,797	2,350,456	6,184,537	8,534,993	2,349,020	6,080,976	8,429,996	2,392,167	6,000,620	8,392,787
2. RETIRED PAY ACCRUAL	775,279	2,080,044	2,855,323	766,249	2,013,549	2,779,798	716,452	1,852,258	2,568,710	722,435	1,809,773	2,532,208
3. BASIC ALLOWANCE FOR QUARTERS	359,993	1,019,309	1,379,302	370,001	1,006,858	1,376,859	369,276	992,017	1,361,293	374,672	963,744	1,338,416
A. WITH DEPENDENTS	267,562	875,046	1,142,628	276,931	852,960	1,129,891	275,382	821,808	1,097,190	279,279	796,198	1,075,477
B. WITHOUT DEPENDENTS	92,103	132,669	224,772	92,770	143,131	235,901	93,601	160,749	254,350	95,104	158,371	253,475
C. PARTIAL	297	10,354	10,651	293	9,470	9,763	286	8,695	8,981	282	8,387	8,669
D. SUBSTANDARD HOUSING	11	1,240	1,251	7	1,297	1,304	7	765	772	7	788	795
4. VARIABLE HOUSING ALLOWANCE	143,899	386,054	529,953	146,940	372,957	519,897	146,756	366,604	513,360	145,946	353,113	499,059
5. SUBSISTENCE	103,589	533,957	637,546	103,234	780,911	884,145	101,489	774,919	876,408	101,329	770,034	871,363
A. BASIC ALLOWANCE FOR SUBSISTENCE	103,589	533,957	637,546	103,234	520,858	624,092	101,489	517,861	619,350	101,329	516,654	617,983
1. AUTHORIZED TO MESS SEP.	103,589	375,321	478,910	103,234	368,374	471,608	101,489	354,317	455,806	101,329	344,690	446,019
2. LEAVE RATIONS	0	72,968	72,968	0	69,453	69,453	0	67,136	67,136	0	65,234	65,234
3. RATIONS-IN-KIND	0	85,505	85,505	0	82,901	82,901	0	80,129	80,129	0	77,847	77,847
4. AUGMENTATION FOR SEPARATE MEALS	0	163	163	0	130	130	0	125	125	0	121	121
5. PARTIAL BAS	0	0	0	0	0	0	0	16,154	16,154	0	28,762	28,762
B. SUBSISTENCE-IN-KIND	0	0	0	0	260,053	260,053	0	257,058	257,058	0	253,380	253,380
1. SUBSISTENCE IN MESSES	0	0	0	0	213,587	213,587	0	210,491	210,491	0	209,359	209,359
2. OPERATIONAL RATIONS	0	0	0	0	370	370	0	372	372	0	380	380
3. AUGMENTATION	0	0	0	0	5,724	5,724	0	5,459	5,459	0	5,266	5,266
4. OTHER PROGRAMS	0	0	0	0	40,372	40,372	0	40,736	40,736	0	38,375	38,375
6. INCENTIVE PAY	110,974	87,906	198,880	112,112	85,375	197,487	108,924	82,025	190,949	107,395	80,726	188,121
HAZARDOUS DUTY, AND AVIATION CAREER	84,954	10,212	95,166	86,606	10,862	97,468	84,501	10,862	95,363	83,847	10,862	94,709
A. FLYING DUTY PAY	84,954	10,212	95,166	86,606	10,862	97,468	84,501	10,862	95,363	83,847	10,862	94,709
1. AVIATION CAREER, OFFICERS	84,954	0	84,954	86,606	0	86,606	84,501	0	84,501	83,847	0	83,847
2. CREW MEMBERS, ENLISTED	0	10,212	10,212	0	10,862	10,862	0	10,862	10,862	0	10,862	10,862

**SUMMARY OF ENTITLEMENTS BY SUBACTIVITY**  
(IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
B. SUBMARINE DUTY	23,717	57,400	81,117	23,310	55,128	78,438	22,234	51,788	74,022	21,365	50,498	71,863
C. PARACHUTE	724	3,093	3,817	712	3,112	3,824	712	3,115	3,827	712	3,119	3,831
D. JUMPING PAY	407	1,517	1,924	449	1,881	2,330	449	1,881	2,330	449	1,881	2,330
E. OTHER PAYS	1,172	15,684	16,856	1,035	14,392	15,427	1,028	14,379	15,407	1,022	14,366	15,388
7. SPECIAL PAYS	193,293	473,756	667,049	203,467	476,496	679,963	205,200	474,952	680,152	204,127	475,620	679,747
A. PHYSICIANS PAY	132,352	0	132,352	132,796	0	132,796	133,061	0	133,061	133,253	0	133,253
B. DENTISTS PAY	12,230	0	12,230	18,409	0	18,409	19,232	0	19,232	19,328	0	19,328
C. OPTOMETRISTS PAY	151	0	151	160	0	160	160	0	160	155	0	155
E. CONTINUATION PAY, NURSES	1,640	0	1,640	1,720	0	1,720	1,756	0	1,756	1,865	0	1,865
F. NUCLEAR OFFICER INCENTIVE PAY	22,730	0	22,730	26,278	0	26,278	26,872	0	26,872	25,318	0	25,318
G. NUCLEAR ACCESSION BONUS	0	448	448	0	774	774	0	774	774	0	774	774
I. RESPONSIBILITY PAY	921	0	921	950	0	950	950	0	950	950	0	950
J. SEA AND FOREIGN DUTY, TOTAL	16,814	239,428	256,242	16,486	238,569	255,055	16,452	236,569	253,021	16,452	236,569	253,021
1. SEA DUTY	16,814	236,885	253,699	16,486	233,334	249,820	16,452	233,334	249,786	16,452	233,334	249,786
2. DUTY AT CERTAIN PLACES	0	1,860	1,860	0	2,160	2,160	0	2,160	2,160	0	2,160	2,160
3. OVERSEAS EXTENSION PAY	0	683	683	0	1,075	1,075	0	1,075	1,075	0	1,075	1,075
K. DIVING DUTY PAY	2,768	9,053	11,821	2,878	9,100	11,978	2,878	9,129	12,007	2,878	9,129	12,007
L. REENLISTMENT BONUS	0	141,362	141,362	0	142,110	142,110	0	132,226	132,226	0	133,153	133,153
M. SPECIAL DUTY ASSIGNMENT PAY	0	51,914	51,914	0	52,540	52,540	0	52,540	52,540	0	52,540	52,540
N. ENLISTMENT BONUS	0	7,544	7,544	0	10,637	10,637	0	19,098	19,098	0	18,302	18,302
O. FOREIGN LANGUAGE PROFICIENCY PAY	155	904	1,059	202	1,166	1,368	290	1,277	1,567	298	1,294	1,592
P. PSYCH DIPLOMATE PAY	248	0	248	276	0	276	276	0	276	276	0	276
Q. OTHER SPECIAL PAY	3,284	23,103	26,387	3,312	23,600	26,912	3,273	23,339	26,612	3,354	23,859	27,213
8. ALLOWANCES	88,972	460,670	549,642	89,775	464,187	553,962	86,575	448,433	535,008	88,162	451,659	539,821
A. UNIFORM OR CLOTHING ALLOWANCE	1,229	151,616	152,845	1,431	165,546	166,977	1,521	161,383	162,904	1,541	160,245	161,786
1. INITIAL ISSUE	939	48,448	49,387	1,153	58,612	59,765	1,222	59,202	60,424	1,229	60,015	61,244
A. MILITARY	748	47,711	48,459	848	57,853	58,701	911	58,443	59,354	911	59,256	60,167
B. CIVILIAN	191	737	928	305	759	1,064	311	759	1,070	318	759	1,077
2. ADDITIONAL	290	0	290	278	0	278	299	0	299	312	0	312
3. BASIC MAINTENANCE	0	20,367	20,367	0	22,619	22,619	0	22,242	22,242	0	21,986	21,986
4. STANDARD MAINTENANCE	0	67,071	67,071	0	69,896	69,896	0	67,765	67,765	0	66,387	66,387
					14							

**SUMMARY OF ENTITLEMENTS BY SUBACTIVITY**  
(IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
5. SUPPLEMENTARY	0	1,788	1,788	0	1,640	1,640	0	1,640	1,640	0	1,640	1,640
6. CIVILIAN CLOTHING MAINTENANCE	0	11,832	11,832	0	10,779	10,779	0	10,534	10,534	0	10,217	10,217
7. INVENTORY PREPARE	0	2,110	2,110	0	2,000	2,000	0	0	0	0	0	0
<b>B. STATION ALLOWANCES</b>												
OVERSEAS	82,357	281,940	364,297	81,476	269,850	351,326	78,028	258,159	336,187	79,481	262,423	341,904
1. COST-OF-LIVING	47,479	170,566	218,045	46,274	162,336	208,610	44,461	155,689	200,150	45,779	159,814	205,593
2. HOUSING	27,242	83,559	110,801	27,005	81,947	108,952	25,222	76,454	101,676	25,182	76,105	101,287
3. TEMPORARY LODGING	7,636	27,815	35,451	8,197	25,567	33,764	8,345	26,016	34,361	8,520	26,504	35,024
<b>C. COMUS COLA</b>	1,930	2,000	3,930	3,000	2,500	5,500	3,100	2,600	5,700	3,200	2,700	5,900
<b>D. FAMILY SEPARATION ALLOWANCE</b>	3,421	25,114	28,535	3,833	26,291	30,124	3,891	26,291	30,182	3,905	26,291	30,196
1. ON PCS, NO GOV'T												
QUARTERS	456	667	1,123	501	691	1,192	523	711	1,234	537	734	1,271
2. ON PCS, DEPENDENTS												
NOT AUTHORIZED	185	3,533	3,718	302	3,071	3,373	302	3,071	3,373	302	3,071	3,373
3. AFLAT	1,553	14,378	15,931	1,837	15,017	16,854	1,873	14,997	16,870	1,873	14,974	16,847
4. ON TDY	1,227	6,536	7,763	1,193	7,512	8,705	1,193	7,512	8,705	1,193	7,512	8,705
<b>E. GENERAL AND FLAG OFFICERS PERSONAL MONEY ALLOWANCE</b>	35	0	35	35	0	35	35	0	35	35	0	35
<b>9. SEPARATION PAYMENTS</b>	81,630	237,120	318,750	70,069	158,655	228,724	43,208	120,421	163,629	45,369	115,196	160,565
<b>A. TERMINAL LEAVE PAY</b>	25,959	48,784	74,743	26,496	52,839	79,335	28,026	49,578	77,604	29,752	44,803	74,555
<b>B. LUMP-SUM READJUSTMENT PAY</b>	4,403	0	4,403	4,425	0	4,425	4,274	0	4,274	4,402	0	4,402
<b>C. SEVERANCE PAY, DISABILITY</b>	2,112	58,430	60,542	3,190	52,175	55,365	3,281	49,784	53,065	3,377	48,962	52,339
<b>D. SEVERANCE PAY, NON-PROMOTION</b>	14,085	0	14,085	13,753	0	13,753	7,627	0	7,627	7,838	0	7,838
<b>E. SEVERANCE PAY, NON-DISABILITY</b>	0	34,836	34,836	0	20,706	20,706	0	21,049	21,049	0	21,421	21,421
1. INVOL-HALF PAY	0	14,820	14,820	0	10,563	10,563	0	10,785	10,785	0	11,025	11,025
2. INVOL-FULL PAY	0	8,616	8,616	0	5,743	5,743	0	5,864	5,864	0	5,996	5,996
3. VOL -SSB	0	7,000	7,000	0	0	0	0	0	0	0	0	0
4. VOL -VSI	0	4,400	4,400	0	4,400	4,400	0	4,400	4,400	0	4,400	4,400
<b>F. DONATIONS</b>	0	10	10	0	10	10	0	10	10	0	10	10
<b>G. 15-YEAR RETIREMENT</b>	35,061	95,060	130,121	22,225	32,925	55,150	0	0	0	0	0	0

# SUMMARY OF ENTITLEMENTS BY SUBACTIVITY

(IN THOUSANDS OF DOLLARS)

	FY 1987			FY 1988			FY 1989		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
10. SOCIAL SECURITY TAX PAYMENTS									
A. GOV'T CONTRIBUTION	208,370	553,080	759,450	185,842	547,865	743,507	203,308	520,744	724,050
B. MIL SERVICE CREDIT	180,270	480,180	660,450	178,042	468,115	646,157	180,906	454,044	634,950
	26,100	72,900	99,000	17,600	79,750	97,350	22,400	66,700	89,100
11. PERMANENT CHANGE OF STATION TRAVEL	180,888	447,676	628,564	173,091	418,912	592,003	162,057	417,242	579,299
12. OTHER MILITARY PERSONNEL COSTS	1,420	100,769	102,189	1,302	116,250	117,552	1,130	101,131	102,261
A. APPREHENSION OF DESERTERS	0	737	737	0	790	790	0	826	826
B. INTEREST ON SAVINGS	18	18	36	15	15	30	5	5	10
C. DEATH GRATUITIES	204	1,416	1,620	204	1,602	1,806	168	1,638	1,806
D. UNEMPLOYMENT COMPENSATION	0	80,228	80,226	0	84,936	84,936	0	76,606	76,606
E. SURVIVOR'S BENEFITS	1,080	3,272	4,362	971	2,914	3,885	845	2,536	3,381
F. EDUCATION BENEFITS	0	14,944	14,944	0	25,833	25,833	0	19,360	19,360
G. ADOPTION EXPENSES	108	156	264	112	160	272	112	160	272
13. CADETS/MIDSHIPMEN	35,834	0	35,834	35,648	0	35,648	35,961	0	35,961
A. AVIATION CADETS	0	0	0	0	0	0	0	0	0
B. MIDSHIPMEN	35,834	0	35,834	35,648	0	35,648	35,961	0	35,961
TOTAL, MILITARY PERSONNEL, NAVY	4,638,613	12,710,668	17,349,279	4,618,006	12,628,552	17,244,558	4,584,056	12,059,602	16,643,658
14. LESS REIMBURSABLES	125,114	125,017	250,131	123,745	149,789	273,544	122,047	133,560	255,607
RETIRE PAY ACCRUAL	24,388	23,857	48,243	25,989	20,860	46,849	22,162	16,824	38,986
OTHER	100,728	101,160	201,888	97,756	128,929	226,685	99,885	116,736	216,621
TOTAL, MILITARY PERSONNEL, NAVY, DIRECT	4,513,499	12,585,649	17,069,148	4,494,261	12,478,753	16,971,014	4,462,009	11,926,042	16,388,051

**ANALYSIS OF APPROPRIATION CHANGES  
MILITARY PERSONNEL, NAVY  
FY 1997  
(IN THOUSANDS OF DOLLARS)**

	FY 1997 PRESIDENT'S BUDGET	EXTENSION OF CONGRESSIONAL ACTION	SUB-TOTAL	INTERNAL REALIGN./ REFRUG.	OTHER PRICE/ PROGRAM CHANGES	FY 1997 COLIMN FY 1998/1999 PRESIDENT'S BUDGET
<b>PAY AND ALLOWANCES OF OFFICERS</b>						
BASIC PAY	2,284,145	535	2,284,680	-19,156	0	2,265,524
RETIRE PAY ACCRUAL	746,330	174	746,504	-6,244	0	740,260
INCENTIVE PAY	112,276	3,700	115,976	-3,864	0	112,112
SPECIAL PAY	191,958	0	191,958	11,544	0	203,502
BASIC ALLOWANCE FOR QUARTERS	356,619	4,182	360,801	6,554	0	367,355
VARIABLE HOUSING ALLOWANCE	140,760	2,932	143,692	2,071	0	145,763
BASIC ALLOWANCE FOR SUBSISTENCE	103,337	24	103,361	-915	0	102,446
STATION ALLOWANCES OVERSEAS	84,251	0	84,251	-2,775	0	81,476
CONUS COLA	3,000	0	3,000	0	0	3,000
UNIFORM ALLOWANCES	1,508	0	1,508	-77	0	1,431
FAMILY SEPARATION ALLOWANCE	3,598	0	3,598	235	0	3,833
SEPARATION PAYMENTS	82,673	0	82,673	-12,584	0	70,089
SOCIAL SECURITY TAX	189,413	41	189,454	-310	0	189,144
REIMBURSABLES	122,030	0	122,030	0	0	122,030
TOTAL OBLIGATIONS	4,421,898	11,588	4,433,486	-25,521	0	4,407,965
LESS REIMBURSABLES	122,030	0	122,030	0	0	122,030
<b>TOTAL DIRECT OBLIGATIONS</b>	<b>4,299,868</b>	<b>11,588</b>	<b>4,311,456</b>	<b>-25,521</b>	<b>0</b>	<b>4,285,935</b>
<b>PAY AND ALLOWANCES OF ENLISTED PERSONNEL</b>						
BASIC PAY	6,123,719	-834	6,122,885	-6,517	0	6,116,368
RETIRE PAY ACCRUAL	1,994,800	-271	1,994,529	-1,840	0	1,992,689
INCENTIVE PAY	87,323	0	87,323	-1,948	0	85,375
SPECIAL PAY	271,054	0	271,054	155	0	271,209
SPECIAL DUTY ASSIGNMENT PAY	52,540	0	52,540	0	0	52,540
REENLISTMENT BONUS	148,958	0	148,958	-6,848	0	142,110
ENLISTMENT BONUS	10,637	0	10,637	0	0	10,637
BASIC ALLOWANCE FOR QUARTERS	963,704	11,168	974,872	25,079	0	999,951
VARIABLE HOUSING ALLOWANCE	360,460	7,450	367,910	2,274	0	370,184
STATION ALLOWANCES OVERSEAS	278,259	0	278,259	-8,409	0	269,850
CONUS COLA	2,500	0	2,500	0	0	2,500
CLOTHING ALLOWANCES	160,994	0	160,994	4,552	0	165,546
FAMILY SEPARATION ALLOWANCE	24,720	0	24,720	1,571	0	26,291
SEPARATION PAYMENTS	115,046	0	115,046	43,609	0	158,655
SOCIAL SECURITY TAX	538,084	-63	538,021	4,629	0	542,650
REIMBURSABLES	103,924	0	103,924	0	0	103,924
TOTAL OBLIGATIONS	11,236,722	17,450	11,254,172	56,307	0	11,310,479
LESS REIMBURSEMENTS	103,924	0	103,924	0	0	103,924
<b>TOTAL DIRECT OBLIGATIONS</b>	<b>11,132,798</b>	<b>17,450</b>	<b>11,150,248</b>	<b>56,307</b>	<b>0</b>	<b>11,206,555</b>
<b>PAY AND ALLOWANCES OF CADETS/MIDSHIPMEN</b>						
MIDSHIPMEN	35,261	0	35,261	387	0	35,648
TOTAL OBLIGATIONS	35,261	0	35,261	387	0	35,648
LESS REIMBURSEMENTS	0	0	0	0	0	0
<b>TOTAL DIRECT OBLIGATIONS</b>	<b>35,261</b>	<b>0</b>	<b>35,261</b>	<b>387</b>	<b>0</b>	<b>35,648</b>



ANALYSIS OF APPROPRIATION CHANGES  
MILITARY PERSONNEL, NAVY

(IN THOUSANDS OF DOLLARS)

	FY 1997 PRESIDENT'S BUDGET	EXTENSION OF CONGRESSIONAL ACTION	SUB-TOTAL	INTERNAL REALIGN./ REPROG.	SUB-TOTAL	OTHER PRICE/ PROGRAM CHANGES	FY 1997 COLUMN FY 1998/1999 PRESIDENT'S BUDGET
<b>SUBSISTENCE OF ENLISTED PERSONNEL</b>							
BASIC ALLOWANCE FOR SUBSISTENCE	514,459	0	514,459	1,356	515,815	0	515,815
SUBSISTENCE IN KIND	222,911	0	222,911	-1,905	221,006	0	221,006
REIMBURSABLES	45,903	0	45,903	-1,813	44,090	0	44,090
TOTAL OBLIGATIONS	783,273	0	783,273	-2,362	780,911	0	780,911
LESS REIMBURSABLES	45,903	0	45,903	-1,813	44,090	0	44,090
TOTAL DIRECT OBLIGATIONS	737,370	0	737,370	-549	736,821	0	736,821
<b>PERMANENT CHANGE OF STATION TRAVEL</b>							
ACCESSION TRAVEL	57,018	252	57,270	-6,852	50,418	0	50,418
TRAINING TRAVEL	42,759	18,366	61,125	1,146	62,271	0	62,271
OPERATIONAL TRAVEL	124,030	-13,615	110,415	17,883	128,298	0	128,298
ROTATIONAL TRAVEL	227,028	-6,637	220,391	-23,525	196,866	0	196,866
SEPARATION TRAVEL	103,790	0	103,790	9,474	113,264	0	113,264
TRAVEL OF ORGANIZED UNITS	19,147	654	19,801	-1,217	18,584	0	18,584
IP/OUT/OT/TP	1,699	0	1,699	0	1,699	0	1,699
NON-TEMPORARY STORAGE	9,683	0	9,683	1,301	10,984	0	10,984
TEMPORARY LODGING EXPENSE	8,641	0	8,641	-2,502	6,139	0	6,139
REIMBURSABLES	3,500	0	3,500	0	3,500	0	3,500
TOTAL OBLIGATIONS	597,275	-980	596,295	-4,292	592,003	0	592,003
LESS REIMBURSABLES	3,500	0	3,500	0	3,500	0	3,500
TOTAL DIRECT OBLIGATIONS	593,775	-980	592,795	-4,292	588,503	0	588,503
<b>OTHER MILITARY PERSONNEL COSTS</b>							
APPREHENSION OF MILITARY DESERTERS, ARRESTEES AND ESCAPED MILITARY PRISONERS	804	0	804	-14	790	0	790
INTEREST ON SAVINGS	10	0	10	20	30	0	30
DEATH GRATUITIES	1,830	0	1,830	-24	1,806	0	1,806
UNEMPLOYMENT COMPENSATION	109,795	0	109,795	-24,859	84,936	0	84,936
SURVIVORS' BENEFITS	3,700	0	3,700	185	3,885	0	3,885
EDUCATION BENEFITS	27,473	0	27,473	-1,640	25,833	0	25,833
ADOPTION EXPENSES	272	0	272	0	272	0	272
REIMBURSABLES	0	0	0	0	0	0	0
TOTAL OBLIGATIONS	143,884	0	143,884	-26,332	117,552	0	117,552
LESS REIMBURSABLES	0	0	0	0	0	0	0
TOTAL DIRECT OBLIGATIONS	143,884	0	143,884	-26,332	117,552	0	117,552
TOTAL OBLIGATIONS	17,218,313	28,058	17,246,371	-1,813	17,244,558	0	17,244,558
LESS REIMBURSABLES	275,357	0	275,357	-1,813	273,544	0	273,544
TOTAL DIRECT OBLIGATIONS	16,942,956	28,058	16,971,014	0	16,971,014	0	16,971,014



**SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)**

FY 1997 DIRECT PROGRAM-----	AMOUNT
INCREASES:	\$16,971,014
CONUS COLA-----	
-INCREASE IN PROGRAM	200
APPREHENSION OF DESERTERS-----	
-INCREASE DUE TO COST GROWTH	17
SPECIAL PAY-----	
-INCREASE IN ENLISTED PAYMENTS	1,733
-DECREASE IN OFFICERS PAYMENTS	-121
ENLISTMENT BONUS-----	
-INCREASED NUMBER ENTITLED IN RESIDUAL PAYMENTS	8,316
-INCREASE IN NUMBER ENTITLED TO RECEIVE NEW PAYMENTS	145
FAMILY SEPARATION ALLOWANCE-----	
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	17
-FY 1998 PAY RAISE 2.8%	26
-INCREASE IN NUMBER ENTITLED ON BOARD SHIP MORE THAN 30 DAYS	15
TOTAL INCREASES-----	10,348
DECREASES	
BASIC PAY-----	
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	-86,744
-FY 1998 PAY RAISE 2.8%	60,749
-DECREASE IN WORKYEARS	172,807
-DECREASE IN PAYGRADE MIX	-293,104
RETIRE PAY ACTUAL-----	
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	-205,207
-FY 1998 PAY RAISE 2.8%	18,684
-REDUCTION IN NORMAL COST PERCENTAGE FROM 32.0% IN FY 1997 TO 30.5% IN FY 1998	53,213
-DECREASE IN WORKYEARS	-174,268
-DECREASE IN PAYGRADE MIX	-94,714
INCENTIVE PAY-----	
-DECREASE IN NUMBER OF PAYMENTS: OFFICERS	-6,538
-DECREASE IN NUMBER OF PAYMENTS: ENLISTED	-3,188
REENLISTMENT BONUS-----	
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	-9,884
-FY 1998 PAY RAISE 2.8%	566
-DECREASE IN NEW PAYMENTS	1,530
-DECREASE IN ANNIVERSARY PAYMENT LEVELS (\$1,950) OFFSET BY NUMBER ENTITLED (\$-3,258)	-10,672
	-1,308

**SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)**

**DECREASES (CONTINUED):**

<b>BASIC ALLOWANCE FOR QUARTERS</b>			
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0% AND QOL INCREASE 1.6%			-26,864
-FY 1998 PAY RAISE 2.8%	11,004		
-INCREASE IN PAY GRADE MIX	26,823		
-DECREASE NUMBER ENTITLED	190		
	-64,881		
<b>BASIC ALLOWANCE FOR SUBSISTENCE</b>			
-1 JAN 1998 2.8% BAS RAISE (BAS 1%, PARTIAL BAS 1.6%)	22,049		-9,806
-MIDSHIPMEN INCREASE DUE TO INFLATION	154		
-DECREASE IN SUBSISTENCE-IN-KIND	-2,764		
-DECREASE IN WORKYEARS	-29,245		
<b>VARIABLE HOUSING ALLOWANCE</b>			
-ANNUALIZATION OF FY 1997 COST GROWTH 2.1%			-10,518
-FY 1998 COST GROWTH 2.1%	2,434		
-LOCALITY FLOOR	7,195		
-DECREASE IN PAY GRADE MIX	3,790		
-DECREASE IN NUMBER ENTITLED	-218		
	-23,719		
<b>OVERSEAS STATION ALLOWANCE</b>			
-COLA INCREASES DUE TO ANNUALIZATION OF FY 1997 PAY RAISE 3.0%			-15,139
-COLA INCREASES DUE TO FY 1998 PAY RAISE 2.8%	1,533		
-INCREASE IN TLA	4,604		
-DECREASE IN COLA NUMBER ENTITLED	7,597		
-DECREASE IN HOUSING NUMBERS	-1,238		
-DECREASE IN CURRENCY EXCHANGE RATES	-644		
	-19,991		
<b>UNIFORM AND CLOTHING ALLOWANCES</b>			
-INCREASE IN CIVILIAN CLOTHING	6		-4,073
-INCREASE IN ENLISTED CLOTHING RATES AND UNIFORM CHANGES	3,266		
-INCREASE IN NUMBER OF OFFICER INITIAL PAYMENTS	63		
-INCREASE IN ADDL PAYMENTS	21		
-DECREASE IN ENLISTED NUMBER ENTITLED AND UP FRONT PURCHASES	-7,429		
<b>SEPARATION PAY</b>			
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%			-65,115
-FY 1998 PAY RAISE 2.8%	646		
-INCREASE IN ENLISTED SEVERANCE PAY	1,437		
-INCREASE IN GRADE MIX	343		
-DECREASE IN NUMBER ENTITLED IN TERA	1,329		
-DECREASE IN OFFICERS TWICE FAIL PROMOTION	-55,150		
-DECREASE IN LUMP SUM PAYMENTS	-6,890		
-DECREASE IN ENLISTED DISABILITY SEV PAY	-4,439		
	-2,391		
<b>FICA</b>			
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%			-13,156
-FY 1998 PAY RAISE 2.8%	4,631		
-DECREASE IN WORKYEARS	13,177		
-DECREASE IN PAYGRADE	-22,123		
-DECREASE IN SERVICE WAGE CREDITS	-1,891		
	-6,950		

SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

DECREASES (CONTINUED):

SURVIVOR'S BENEFITS	-252	-252
-ESTIMATE REVISED BY VETERANS ADMINISTRATION		
INTEREST ON SAVINGS	-10	-10
-DECREASE IN PARTICIPANTS		
UNEMPLOYMENT COMPENSATION	-4,900	-4,900
-INCREASE IN D.O.L. RATE	2,421	
-DECREASE IN NUMBER RECEIVING BENEFITS	-7,321	
EDUCATION BENEFITS	-6,473	-6,473
-DECREASE IN MONTGOMERY G.I. BILL	-2,207	
-DECREASE IN DOD EDUCATIONAL BENEFITS ENTITLED (-\$505) AND RATES (\$-3761)	-4,266	
PERMANENT CHANGE OF STATION (PCS) TRAVEL		-6,565
-INDUSTRIALLY FUNDED SERVICES	2,542	
-COMMERCIALLY PROCURED SERVICES	6,883	
-PROGRAM INCREASES	29,954	
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	384	
-FY 1998 PAY RAISE 2.8%	1,084	
-PROGRAM INITIATIVES	1,548	
-FEWER PLANNED TRAINING, OPERATIONAL, ROTATIONAL, SEP, AND ORG UNIT MOVES	-48,960	
TOTAL DECREASES		-471,244
FY 1998 DIRECT PROGRAM		\$16,510,118

INCREASES:

CONUS COLA	200	200
-INCREASE IN PROGRAM		
APPREHENSION OF DESERTERS	19	19
-INCREASE DUE TO COST GROWTH		
REENLISTMENT BONUS	927	927
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	466	
-FY 1999 PAY RAISE 3.0%	1,515	
-INCREASE IN ANNIVERSARY PAYMENTS LEVELS (\$+2,822) AND NUMBER ENTITLED (\$1,322)	1,500	
-DECREASE IN NEW PAYMENTS	-2,554	
OVERSEAS STATION ALLOWANCE	5,717	5,717
-COLA INCREASES DUE TO ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	1,400	
-COLA INCREASES DUE TO FY 1999 PAY RAISE 3.0%	4,847	
-INCREASE IN TLA COST GROWTH AND NUMBERS ENTITLED	663	
-DECREASE IN COLA NUMBER ENTITLED	-804	
-DECREASE IN HOUSING NUMBERS	-389	
FAMILY SEPARATION ALLOWANCE	14	14
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	9	
-FY 1999 PAY RAISE 3.0%	28	
-DECREASE IN NUMBERS	-23	
TOTAL INCREASES		6,877

**SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)**

**DECREASES**

<b>BASIC PAY</b>		<b>-31,864</b>
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	55,094	
-FY 1999 PAY RAISE 3.0%	185,768	
-DECREASE IN WORKYEARS	-259,209	
-DECREASE IN PAYGRADE MIX	-13,617	
<b>RETIRED PAY ACCRUAL</b>		<b>-34,520</b>
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	16,670	
-FY 1999 PAY RAISE 3.0%	56,206	
-REDUCTION IN NORMAL COST PERCENTAGE FROM 30.5% IN FY 1998 TO 30.2% IN FY 1999	-25,208	
-DECREASE IN WORKYEARS	-78,101	
-DECREASE IN PAYGRADE MIX	-4,087	
<b>INCENTIVE PAY</b>		<b>-2,828</b>
-DECREASE IN NUMBER ENTITLED: OFFICERS	-1,529	
-DECREASE IN NUMBER ENTITLED: ENLISTED	-1,299	
<b>SPECIAL PAY</b>		<b>-536</b>
-INCREASE IN NUMBER ENTITLED: ENLISTED	537	
-DECREASE IN NUMBER ENTITLED: OFFICERS	-1,073	
<b>ENLISTED BONUS</b>		<b>-796</b>
-DECREASE IN RESIDUAL PAYMENTS	-796	
<b>BASIC ALLOWANCE FOR SUBSISTENCE</b>		<b>-4,141</b>
-1 JAN 1999 3.0% BAS RAISE (BAS 1%, PARTIAL BAS 2.0%)	18,367	
-MIDSHIPMEN INCREASE DUE TO INFLATION	169	
-DECREASE IN SUBSISTENCE-IN-KIND	-3,353	
-DECREASE IN WORKYEARS	-19,324	
<b>BASIC ALLOWANCE FOR QUARTERS</b>		<b>-21,891</b>
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	9,108	
-FY 1999 PAY RAISE 3.0%	28,123	
-DECREASE IN PAY GRADE MIX	-355	
-DECREASE NUMBER ENTITLED	-58,767	
<b>VARIABLE HOUSING ALLOWANCE</b>		<b>-13,864</b>
-ANNUALIZATION OF FY 1998 COST GROWTH 2.1%	2,344	
-FY 1999 COST GROWTH 2.1%	7,725	
-DECREASE IN PAY GRADE MIX	-1,777	
-DECREASE IN NUMBER ENTITLED	-22,156	
<b>UNIFORM AND CLOTHING ALLOWANCES</b>		<b>-1,118</b>
-INCREASE IN CIVILIAN CLOTHING GROWTH RATE OF 2.1%	20	
-INCREASE IN ENLISTED CLOTHING RATES AND UNIFORM CHANGES	3,617	
-DECREASE IN ENLISTED NUMBER ENTITLED	-4,755	
<b>SEPARATION PAY</b>		<b>-3,064</b>
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	701	
-FY 1999 PAY RAISE 3.0%	1,869	
-INCREASE IN ENLISTED SEVERANCE PAY	372	
-INCREASE IN GRADE MIX	173	
-INCREASE IN OFFICER LUMP SUM PAYMENTS	650	
-DECREASE IN ENLISTED NUMBER ENTITLED TO DIS SEV PAY	-822	
-DECREASE IN ENLISTED LUMP SUM PAYMENTS	-6,007	

SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

DECREASES (CONTINUED):

FICA		-4,391
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	4,201	
-FY 1999 PAY RAISE 3.0%	14,169	
-DECREASE IN WORKYEARS	-19,336	
-DECREASE IN PAYGRADE	-2,125	
-DECREASE IN SERVICE WAGE CREDITS	-1,300	
SURVIVOR'S BENEFITS		-252
-ESTIMATE REVISED BY VETERANS ADMINISTRATION	-252	
INTEREST ON SAVINGS		-10
-DECREASE IN PARTICIPANTS	-10	
UNEMPLOYMENT COMPENSATION		-3,430
-INCREASE IN RATE	2,699	
-DECREASE IN NUMBER RECEIVING BENEFITS	-6,129	
PERMANENT CHANGE OF STATION (PCS) TRAVEL		-6,139
-INDUSTRIALLY FUNDED SERVICES	5,471	
-COMMERCIALY PROCURED SERVICES	6,779	
-PROGRAM INCREASES	866	
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	372	
-FY 1999 PAY RAISE 3.0%	1,206	
-FEWER PLANNED TRAINING, OPERATIONAL, ROTATIONAL, SEP, AND ORG UNIT MOVES	-20,833	
TOTAL DECREASES		-128,944
FY 1999 DIRECT PROGRAM		\$16,388,051

SECTION 4  
PAY AND ALLOWANCES OF OFFICER PERSONNEL  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

		AMOUNT
FY 1997 DIRECT PROGRAM-----		\$4,285,935
INCREASES:		
CONUS COLA-----	100	
-INCREASE IN PROGRAM		
FAMILY SEPARATION ALLOWANCE-----	58	
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	12	
-FY 1998 PAY RAISE 2.8%	11	
-INCREASE IN WORKYEARS	35	
BASIC PAY-----	8,298	
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	16,969	
-FY 1998 PAY RAISE 2.8%	47,182	
-RESULT OF DECREASE OF WORKYEARS	-49,827	
-DECREASE IN PAY GRADE MIX	-6,026	
SPECIAL PAY-----	1,733	
-INCREASE IN MEDICAL INCENTIVE PAY	1,200	
-INCREASE IN DENTAL BOARD CERTIFIED PAY DUE TO RATE (-12) AND NUMBER (71)	59	
-DECREASE IN DENTAL ADDITIONAL SPECIAL PAY DUE TO NUMBER (-93) AND RATE (-1)	-94	
-INCREASE IN LINGUIST PAY DUE TO NUMBER CHANGE (94) AND RATES (-6)	88	
-INCREASE IN NURSES INCENTIVE PAY DUE TO RATES	36	
-DECREASE IN MEDICAL VARIABLE SPECIAL PAY DUE TO RATE (-30) AND NUMBER (-395)	-425	
-DECREASE IN ADDITIONAL SPECIAL PAY DUE TO NUMBER	-360	
-DECREASE IN BOARD CERTIFIED DUE TO NUMBER	-50	
-DECREASE IN DENTIST VARIABLE SPECIAL PAY DUE TO RATE (24) & NUMBER (-66)	-42	
-INCREASE IN NUCLEAR OFFICER INCENTIVE PAY DUE TO RATE (1487) AND NUMBER (-893)	594	
-DECREASE IN NUMBER ENTITLED PREMIUM SEA PAY	-34	
-DECREASE IN IMMINENT DANGER PAY	-39	
-DECREASE IN MEDICAL MULTI YEAR SPECIAL PAY	-100	
-INCREASE IN DENTAL ACCESSION PAY	900	
UNIFORM ALLOWANCE-----	90	
-INCREASE IN CIVILIAN RATE DUE TO COST GROWTH OF 2.2%	6	
-INCREASE IN NUMBER OF INITIAL PAYMENTS	63	
-INCREASE IN NUMBER OF ADDITIONAL CLOTHING ALLOWANCES	21	
FICA-----	6,113	
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	1,282	
-FY 1998 PAY RAISE 2.8%	3,565	
-DECREASE IN WORKYEARS	-3,560	
-DECREASE IN GRADE MIX	-274	
-INCREASE IN SERVICE WAGE CREDITS	5,100	
TOTAL INCREASES-----		16,392
DECREASES:		
BASIC ALLOWANCE FOR QUARTERS (BAQ)-----	-9,675	
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0% AND QOL INCREASE 1.6%	4,047	
-FY 1998 PAY RAISE 2.8%	7,342	
-DECREASE IN PAY GRADE MIX	-437	
-DECREASE IN WORKYEARS	-20,627	

PAY AND ALLOWANCES OF OFFICER PERSONNEL  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

DECREASES (CONTINUED):

BASIC ALLOWANCE FOR SUBSISTENCE (BAS)		-4,302
-1 JAN 1998 2.8% BAS RAISE (BAS 1%, PARTIAL BAS 1.8%)	976	
-DECREASE IN WORKYEARS	-5,278	
OVERSEAS STATION ALLOWANCE		-3,448
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	342	
-FY 1998 PAY RAISE 2.8%	975	
-TIA REFLECTS INCREASE IN COST GROWTH	148	
-COLA DECREASE DUE IN WORKYEARS	-217	
-HOUSING DECREASE DUE TO FEWER NUMBER ENTITLED	-132	
-DECREASE IN CURRENCY EXCHANGE RATES	-4,564	
INCENTIVE PAY		-3,188
-DECREASE IN AVIATION CAREER INCENTIVE PAY	-24	
-DECREASE IN CONTINUATION PAY	-2,081	
-DECREASE IN NUMBER ENTITLED TO SUBMARINE DUTY PAY	-1,076	
-DECREASE IN NUMBER ENTITLED TO PRESSURE CHAMBER DUTY PAY	-7	
RETIRED PAY ACCRUAL		-46,668
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	5,331	
-FY 1998 PAY RAISE 2.8%	14,895	
-DECREASE IN THE NORMAL COST PERCENTAGE FROM 32.6 IN FY 1997 TO 30.5 IN 1998	-44,391	
-DECREASE IN WORKYEARS	-20,665	
-DECREASE IN PAY GRADE MIX	-1,838	
VARIABLE HOUSING ALLOWANCE (VHA)		-3,494
-ANNUALIZATION OF FY 1997 COST GROWTH 2.1%	739	
-FY 1998 COST GROWTH 2.1%	2,108	
-DECREASE IN WORK YEARS	-6,929	
-DECREASE IN GRADE MIX	-442	
-VHA LOCALITY FLOOR	1,030	
SEPARATION PAYMENTS		-26,881
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	258	
-FY 1998 PAY RAISE 2.8%	786	
-DECREASE IN TWICE FAIL PROMOTION	-6,890	
-DECREASE IN LUMP SUM PAYMENTS TO RESERVIST DUE TO RATE CHANGE	-139	
-DECREASE IN TERA	-22,225	
-INCREASE IN GRADE MIX	1,329	
TOTAL DECREASES		-97,656
FY 1998 DIRECT PROGRAM		\$4,204,671

INCREASES:

BASIC ALLOWANCE FOR QUARTERS (BAQ)		5,654
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	2,411	
-FY 1999 PAY RAISE 3.0%	7,749	
-DECREASE IN WORKYEARS	-4,506	
CONUS COLA		100
-INCREASE IN PROGRAM	100	
UNIFORM ALLOWANCE		20
-INCREASE IN CIVILIAN RATE DUE TO COST GROWTH OF 2.1%	25	

PAY AND ALLOWANCES OF OFFICER PERSONNEL  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

INCREASES (CONTINUED):

OVERSEAS STATION ALLOWANCE-----1,453

-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%

-FY 1999 PAY RAISE 3.0%

-TLA REFLECTS INCREASE IN COST GROWTH

-COLA DECREASE DUE TO FEWER WORKYEARS

-HOUSING DECREASE DUE TO FEWER NUMBER ENTITLED

333  
1,074  
175  
-89  
-40

BASIC PAY-----

-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%

-FY 1999 PAY RAISE 3.0%

-RESULT OF DECREASE IN WORKYEARS

15,698  
50,941  
-21,924

FAMILY SEPARATION ALLOWANCE-----

-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%

-FY 1999 PAY RAISE 3.0%

4  
10

FICA-----

-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%

-FY 1999 PAY RAISE 3.0%

-DECREASE IN WORKYEARS

-DECREASE IN GRADE MIX

-DECREASE IN SERVICE WAGE CREDITS

1,187  
3,853  
-1,178  
-1,079  
-300

RETIRED PAY ACCRUAL-----

-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%

-FY 1999 PAY RAISE 3.0%

-DECREASE IN THE NORMAL COST PERCENTAGE FROM 30.5 IN FY 1998 TO 30.2 IN 1999

-DECREASE IN WORKYEARS

4,772  
15,486  
-6,965  
-6,612

SEPARATION PAYMENTS-----

-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%

-FY 1999 PAY RAISE 3.0%

-INCREASE IN LUMP SUM PAYMENTS

-INCREASE IN GRADE MIX

361  
977  
650  
173

TOTAL INCREASES-----

63,281

DECREASES:

VARIABLE HOUSING ALLOWANCE (VHA)-----

-ANNUALIZATION OF FY 1998 COST GROWTH 2.1%

-FY 1999 COST GROWTH 2.1%

-DECREASE IN WORK YEARS

-DECREASE IN GRADE MIX

709  
2,819  
-2,490  
-1,712

BASIC ALLOWANCE FOR SUBSISTENCE (BAS)-----

-1 JAN 1999 3.0% BAS RAISE (BAS 1%, PARTIAL BAS 2.0%)

-DECREASE IN WORKYEARS

975  
-1,075



PAY AND ALLOWANCES OF OFFICER PERSONNEL  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

DECREASES (CONTINUED):

SPECIAL PAY-----		-1,073
-INCREASE IN MEDICAL INCENTIVE PAY	1,200	
-INCREASE IN DENTAL BOARD CERTIFIED PAY DUE TO RATE (-12) AND NUMBER (71)	14	
-INCREASE IN DENTAL ADDITIONAL SPECIAL PAY DUE TO NUMBER (-82) AND RATE (46)	48	
-INCREASE IN LINGUIST PAY DUE TO NUMBER	8	
-INCREASE IN NURSES ACCESSION PAY DUE TO NUMBER	109	
-DECREASE IN MEDICAL VARIABLE SPECIAL PAY DUE TO RATE (-30) AND NUMBER (-433)	-403	
-DECREASE IN ADDITIONAL SPECIAL PAY DUE TO NUMBER	-510	
-DECREASE IN BOARD CERTIFIED DUE TO NUMBER	-95	
-INCREASE IN DENTIST VARIABLE SPECIAL PAY DUE TO RATE (1) AND NUMBER(33)	34	
-DECREASE IN NUCLEAR OFFICER INCENTIVE PAY DUE TO RATE (-1155) AND NUMBER (-399)	-1,554	
-DECREASE OPTOMETRIST PAY DUE TO NUMBER ENTITLED	-5	
-INCREASE IN IMMINENT DANGER PAY	81	
INCENTIVE PAY-----		-1,529
-DECREASE IN CONTINUATION PAY	-654	
-DECREASE IN NUMBER ENTITLED TO SUBMARINE DUTY PAY	-869	
-DECREASE IN NUMBER ENTITLED TO PRESSURE CHAMBER DUTY PAY	-6	
TOTAL DECREASES -----		-3,376
FY 1999 DIRECT PROGRAM-----		\$4,264,576

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-A BASIC PAY

-FY 1999 ESTIMATE \$2,392,167  
-FY 1998 ESTIMATE \$2,349,020  
-FY 1997 ESTIMATE \$2,350,456  
-FY 1996 ESTIMATE \$2,356,472

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE BASIC COMPENSATION FOR OFFICERS ON ACTIVE DUTY ACCORDING TO RANK AND LENGTH OF SERVICE UNDER PROVISIONS OF (37 U.S.C. 201, 203, 204, 205, AND P.L. 97-37). THE ESTIMATE EXCLUDES THOSE OFFICERS ON ACTIVE DUTY AT THE SEAT OF GOVERNMENT AND AT HEADQUARTERS RESPONSIBLE FOR RESERVE AFFAIRS (10 U.S.C. 265) AND THOSE OFFICERS OF THE RESERVE COMPONENT ON ACTIVE DUTY SERVING IN CONNECTION WITH THE ORGANIZING, ADMINISTERING, RECRUITING, INSTRUCTING, AND TRAINING OF THE RESERVE COMPONENTS (10 U.S.C. 672D AND 678).

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE FY 1998 OFFICER PROGRAM IS BASED ON A BEGINNING STRENGTH OF 56,285 AND AN END STRENGTH OF 55,695 FOR 54,775 WORKYEARS. FY 1999 IS BASED ON AN END STRENGTH OF 55,008 AND 54,147 WORKYEARS. COSTS ARE CALCULATED ON THE BASIS OF GRADE DISTRIBUTION AND AVERAGE RATES EXPERIENCED IN FY 1996 ADJUSTED FOR A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, 2.8% EFFECTIVE 01 JANUARY 1998 AND 3.0% EFFECTIVE 01 JANUARY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ADMIRAL (CNO)	1	\$106,197.03	\$106	1	\$110,457.01	\$110	1	\$113,614.71	\$114	1	\$116,956.30	\$117
ADMIRAL	8	106,197.03	866	9	110,457.01	994	9	113,614.71	1,023	9	116,956.30	1,053
VICE ADMIRAL	29	103,811.80	3,005	29	106,603.36	3,091	29	109,638.57	3,180	29	112,875.90	3,273
REAR ADMIRAL (UH)	72	93,791.09	6,753	77	96,581.67	7,437	77	99,332.56	7,649	77	102,264.53	7,874
REAR ADMIRAL (LH)	109	82,829.52	9,028	101	85,178.39	8,603	100	87,599.71	8,760	100	90,184.80	9,018
CAPTAIN	3,320	69,534.29	230,854	3,179	71,455.90	227,158	3,094	73,553.33	227,574	2,980	75,759.73	225,764
COMMANDER	7,155	55,285.38	395,567	6,972	56,833.62	396,244	6,644	58,499.25	388,669	6,767	60,255.36	407,748
LIEUTENANT COMMANDER	11,037	45,013.54	496,814	10,760	46,278.78	497,960	10,732	47,635.20	511,221	10,953	49,071.76	537,483
LIEUTENANT	20,850	37,390.75	779,597	20,423	38,433.02	784,918	19,569	39,580.20	774,545	18,689	40,825.89	762,995
LIEUTENANT (JG)	6,843	30,416.26	208,138	6,506	31,260.91	203,383	6,292	32,164.97	202,382	6,150	33,140.98	203,817
ENSIGN	6,423	22,935.74	147,316	6,273	23,589.99	147,980	6,500	24,280.46	157,823	6,740	25,008.75	168,559
WARRANT OFFICER W-4	423	44,725.82	18,919	392	45,978.88	18,024	308	47,271.78	14,560	265	48,691.91	12,903
WARRANT OFFICER W-3	861	36,802.08	31,687	828	37,857.87	31,346	785	38,934.54	30,564	727	40,082.44	29,140
WARRANT OFFICER W-2	892	31,158.86	27,794	724	32,055.48	23,208	635	33,001.49	20,956	660	33,974.30	22,423
WARRANT OFFICER W-1	1	25,603.34	26	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL 1-A	58,024		\$2,356,472	56,274		\$2,350,456	54,775		\$2,349,020	54,147		\$2,392,167

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$722,435  
-FY 1998 ESTIMATE \$716,452  
-FY 1997 ESTIMATE \$766,249  
-FY 1996 ESTIMATE \$775,279

PROJECT: 1-B RETIRED PAY ACCRUAL

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR THE DEPARTMENT OF DEFENSE'S CONTRIBUTION TO ITS MILITARY RETIREMENT FUND, IN ACCORDANCE WITH 10 U.S.C. 1466.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE BUDGETARY ESTIMATES ARE DERIVED AS A PRODUCT OF:

- (A) NORMAL COST PERCENTAGE OF 32.9% IN FY 1996, 32.6% IN FY 1997, 30.5% IN FY 1998, AND 30.2% IN FY 1999.
- (B) THE TOTAL AMOUNT OF BASIC PAY EXPECTED TO BE PAID DURING THE FISCAL YEAR TO MEMBERS OF THE ARMED FORCES.

COST COMPUTATIONS ARE AS FOLLOWS:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
BASE PAY (1-A)			\$2,356,472			\$2,350,456			\$2,349,020			\$2,392,167
LESS FINES & FORFEITURES			0			0			0			0
BASE PAY SUBJECT TO RPA			\$2,356,472			\$2,350,456			\$2,349,020			\$2,392,167
RPA	58,024	\$13,361.35	\$775,279	56,274	\$13,616.40	\$766,249	54,775	\$13,079.90	\$716,452	54,147	\$13,342.10	\$722,435
TOTAL 1-B	58,024		\$775,279	56,274		\$766,249	54,775		\$716,452	54,147		\$722,435

PROJECT: 1-C INCENTIVE PAY FOR HAZARDOUS DUTY

-FY 1999	ESTIMATE	\$107,395
-FY 1998	ESTIMATE	\$108,924
-FY 1997	ESTIMATE	\$112,112
-FY 1996	ESTIMATE	\$110,974

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE PAYMENT TO OFFICERS FOR THE FOLLOWING TYPES OF DUTY (37 U.S.C. 301).

- (1) (A) (B) (C) FLYING DUTY AS CREW MEMBER INVOLVING FREQUENT AND REGULAR PERFORMANCE OF OPERATIONAL OR PROFICIENCY FLYING DUTY REQUIRED BY ORDERS. FREQUENT AND REGULAR PARTICIPATION IN AERIAL FLIGHTS AS A NON-CREW MEMBER.
- (D) DUTY INVOLVING OPERATIONAL FLYING IN WHICH AN AVIATOR IS PAID A RETENTION BONUS IN ADDITION TO ACIP FOR AGREEING TO REMAIN ON ACTIVE DUTY IN AVIATION SERVICE FOR AT LEAST ONE YEAR.
- (2) DUTY INVOLVING FREQUENT AND REGULAR PERFORMANCE OF OPERATIONAL SUBMARINE DUTY, RESTRICTED TO MEMBERS WHO HOLD OR ARE IN TRAINING FOR SUBMARINE DUTY DESIGNATOR AND REMAIN IN THE SUBMARINE SERVICE ON A CAREER BASIS.
- (3) DUTY INVOLVING PARACHUTE JUMPING AS AN ESSENTIAL PART OF MILITARY DUTY.
- (4) DUTY INSIDE A HIGH OR LOW PRESSURE CHAMBER; DUTY INVOLVING ACCELERATION OR DECELERATION EXPERIMENTS, OR THERMAL STRESS EXPERIMENTS.
- (5) DUTY INVOLVING THE DEMOLITION OF EXPLOSIVES AS A PRIMARY DUTY INCLUDING TRAINING FOR SUCH DUTY.
- (6) DUTY INVOLVING PARTICIPATION IN FLIGHT OPERATIONS ON SHIPS FROM WHICH AIRCRAFT ARE LAUNCHED.
- (7) DUTY INVOLVING EXPOSURE TO HIGHLY TOXIC FUELS, PESTICIDES OR LABORATORY WORK THAT UTILIZES LIVE, DANGEROUS VIRUSES OR BACTERIA.

PART II - JUSTIFICATION OF FUNDS REQUESTED

HAZARDOUS DUTY PAY IS COMPUTED ON THE AVERAGE NUMBER OF OFFICERS ELIGIBLE FOR EACH TYPE PAYMENT. AVERAGE RATES FOR FLYING DUTY FOR CREW MEMBERS ARE BASED ON STATUTORY RATES CATEGORIZED BY YEARS OF AVIATION/COMMISSIONED SERVICE. AVIATION CONTINUATION PAY (ACP) COMPUTED AT A RATE NO GREATER THAN \$12,000 PER YEAR IF THE OFFICER AGREES TO REMAIN ON ACTIVE DUTY TO COMPLETE 14 YEARS OF COMMISSIONED SERVICE; OR, AT A RATE NO GREATER THAN \$6,000 PER YEAR FOR EACH YEAR OF THE CONTRACT IF THE OFFICER AGREES TO REMAIN ON ACTIVE DUTY FOR ONE OR TWO YEARS AND THE AVERAGE RATE REFLECTS PAYMENT IN LUMP SUM FOR CERTAIN PILOTS. CREW AND NONCREW MEMBERS UNDER COMPETENT ORDERS TO PARTICIPATE IN REGULAR AND FREQUENT AERIAL FLIGHTS ARE ENTITLED TO FLYING PAY BASED ON STATUTORY RATES BY PAY GRADE. AVERAGE RATES FOR SUBMARINE DUTY ARE BASED ON STATUTORY RATES BY PAY GRADE WITHIN EACH LONGEVITY STEP. ALL OTHER HAZARDOUS DUTY IS COMPUTED AT THE STATUTORY RATE OF \$1,320 PER ANNUM FOR EACH WORKYEAR, EXCEPT FOR THOSE OFFICERS WHO RECEIVE \$1,000 PER YEAR FOR PERFORMING HIGH ALTITUDE/LOW OPENING PARACHUTE JUMPS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT

(1) FLYING DUTY

(A) (1) COMMISSIONED OFFICERS  
(MONTHLY RATE)

2 YEARS \$125/MONTH	1,649	\$1,500.00	\$2,474	1,679	\$1,500.00	\$2,519	1,685	\$1,500.00	\$2,528	1,685	\$1,500.00	\$2,528
2-3 YEARS \$156/MONTH	661	1,872.00	1,237	643	1,872.00	1,204	640	1,872.00	1,198	640	1,872.00	1,198
3-4 YEARS \$188/MONTH	1,093	2,256.00	2,466	977	2,256.00	2,203	970	2,256.00	2,188	970	2,256.00	2,188
4-6 YEARS \$206/MONTH	1,906	2,472.00	4,712	1,753	2,472.00	4,332	1,758	2,472.00	4,346	1,758	2,472.00	4,346
6-18 YEARS \$650/MONTH	7,083	7,800.00	55,247	7,000	7,800.00	54,598	6,992	7,800.00	54,541	6,992	7,800.00	54,541
18-20 YEARS \$585/MONTH	584	7,020.00	3,959	545	7,020.00	3,826	547	7,020.00	3,840	547	7,020.00	3,840
20-22 YEARS \$495/MONTH	411	5,940.00	2,441	385	5,940.00	2,287	386	5,940.00	2,293	386	5,940.00	2,293
22-25 YEARS \$385/MONTH	382	4,620.00	1,765	377	4,620.00	1,742	379	4,620.00	1,751	379	4,620.00	1,751
25 & OVER YEARS \$250/MONTH	67	3,000.00	201	59	3,000.00	177	59	3,000.00	177	59	3,000.00	177

TOTAL (1) (A) (1)

	13,816		74,502	13,418		72,886	13,416		72,862	13,416		72,862
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(A) (2) WARRANT OFFICERS

2 YEARS \$125/MONTH	4	1,500.00	6	4	1,500.00	6	4	1,500.00	6	4	1,500.00	6
2-3 YEARS \$156/MONTH	6	1,872.00	11	6	1,872.00	11	6	1,872.00	11	6	1,872.00	11
3-4 YEARS \$188/MONTH	2	2,256.00	5	2	2,256.00	5	2	2,256.00	5	2	2,256.00	5
4-6 YEARS \$206/MONTH	4	2,472.00	10	5	2,472.00	12	5	2,472.00	12	5	2,472.00	12
6-18 YEARS \$650/MONTH	17	7,800.00	133	16	7,800.00	125	16	7,800.00	125	16	7,800.00	125

TOTAL (1) (A) (2)

	33		165	33		159	33		159	33		159
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TOTAL (1) (A)

	13,849		74,667	13,451		73,045	13,449		73,021	13,449		73,021
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(B) CREW MEMBERS

	69	2,280.00	157	69	2,280.00	157	69	2,280.00	157	69	2,280.00	157
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(C) NON-CREW MEMBERS

	20	1,320.00	26	20	1,320.00	26	20	1,320.00	26	20	1,320.00	26
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(D) CONTINUATION PAY

PILOTS	1,032	9,113.37	9,405	1,006	11,646.12	11,716	783	11,832.69	9,265	837	10,037.04	8,401
FLIGHT OFFICERS	191	3,659.69	699	140	11,871.43	1,662	140	14,514.29	2,032	115	19,495.65	2,242

TOTAL (1) (D)

	1,223		10,104	1,146		13,378	923		11,297	952		10,643
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TOTAL (1)

	15,161		\$84,954	14,686		\$86,606	14,461		\$84,501	14,490		\$83,847
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## (IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) SUBMARINE DUTY												
VICE ADMIRAL	1	\$4,260.00	\$4	1	\$4,260.00	\$4	1	\$4,260.00	\$4	1	\$4,260.00	\$4
REAR ADMIRAL (UH)	2	4,260.00	9	3	4,260.00	13	3	4,260.00	13	3	4,260.00	13
REAR ADMIRAL (LH)	7	4,260.00	30	5	4,260.00	21	5	4,260.00	21	5	4,260.00	21
CAPTAIN	183	7,165.00	1,383	203	7,165.00	1,454	203	7,165.00	1,454	201	7,165.00	1,442
COMMANDER	434	7,163.00	3,109	479	7,163.00	3,431	491	7,163.00	3,517	493	7,164.00	3,532
LIEUTENANT	658	7,158.00	4,710	548	7,158.00	3,923	479	7,158.00	3,429	450	7,158.00	3,215
LIEUTENANT (JC)	1,607	6,520.00	10,478	1,604	6,520.00	10,460	1,518	6,520.00	9,897	1,432	6,520.00	9,337
ENSIGN	752	3,036.00	2,283	646	3,036.00	1,961	620	3,036.00	1,883	592	3,036.00	1,797
WARRANT OFFICER W-4	537	2,390.00	1,283	631	2,390.00	1,508	631	2,390.00	1,508	631	2,390.00	1,508
WARRANT OFFICER W-3	16	4,301.00	69	15	4,301.00	65	11	4,301.00	47	11	4,301.00	47
WARRANT OFFICER W-2	29	4,263.00	124	40	4,263.00	171	38	4,263.00	162	40	4,263.00	171
WARRANT OFFICER W-1	55	4,270.00	235	70	4,270.00	299	70	4,270.00	299	65	4,270.00	278
	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL (2)	4,291		23,717	4,245		23,310	4,070		22,234	3,924		21,365
(3) PARACHUTE JUMPING	422	1,715.66	724	415	1,715.66	712	415	1,715.66	712	415	1,715.66	712
(4) DUTY INSIDE A HIGH OR LOW PRESSURE CHAMBER, INSIDE OBSERVER, HUMAN ACCELERATION OR DECELERATION EXPERIMENTAL OBSERVER AND TEST SUBJECT IN THERMAL STRESS EXPERIMENTS:												
(5) DEMOLITION DUTY	86	1,320.00	127	128	1,320.00	169	123	1,320.00	162	118	1,320.00	156
(6) FLIGHT DECK DUTY	308	1,320.00	407	340	1,320.00	449	340	1,320.00	449	340	1,320.00	449
(7) TOXIC MATERIAL PAY	792	1,320.00	1,045	656	1,320.00	866	656	1,320.00	866	656	1,320.00	866
	0	1,320.00	0	0	1,320.00	0	0	1,320.00	0	0	1,320.00	0
TOTAL 1-C			\$110,974			\$112,112			\$108,924			\$107,395

(IN THOUSANDS OF DOLLARS)

-FY 1999	ESTIMATE	\$204,162
-FY 1998	ESTIMATE	\$205,235
-FY 1997	ESTIMATE	\$203,502
-FY 1996	ESTIMATE	\$193,328

PROJECT: 1-D SPECIAL PAY

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR THE FOLLOWING SPECIAL PAY:

- (1) PHYSICIANS PAY (37 U.S.C. 302):
  - (A) VARIABLE SPECIAL PAY - MONTHLY PAYMENT TO MEDICAL CORPS OFFICERS ON ACTIVE DUTY UNDER A CALL OR ORDER TO ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN ONE YEAR. AMOUNT PAID VARIES WITH TOTAL LENGTH OF CREDITABLE SERVICE.
  - (B) ADDITIONAL SPECIAL PAY - AN ANNUAL PAYMENT WHICH VARIES WITH LENGTH OF CREDITABLE SERVICE WHICH IS PAID TO MEDICAL CORPS OFFICERS WHO EXECUTE A WRITTEN AGREEMENT TO REMAIN ON ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN ONE YEAR AND WHO ARE NOT UNDERGOING MEDICAL OR OSTEOPATHIC INTERNSHIP, OR INITIAL RESIDENCY.
  - (C) BOARD CERTIFIED PAY - A MONTHLY PAYMENT WHICH VARIES WITH LENGTH OF CREDITABLE SERVICE PAID TO MEDICAL CORPS OFFICERS WHO BECOME CERTIFIED OR RECERTIFIED AS HAVING SUCCESSFULLY MET SPECIFIED POST-GRADUATE EDUCATION, TRAINING AND EXPERIENCE REQUIREMENTS IN A MEDICAL OR OSTEOPATHIC SPECIALTY.
  - (D) MEDICAL INCENTIVE PAY - FOR MEDICAL CORPS OFFICERS, 0-6 AND BELOW, WHO MEET CERTAIN CRITERIA, AND WHO AGREE TO REMAIN ON ACTIVE DUTY FOR A PERIOD OF ONE YEAR AND WHO ARE NOT UNDERGOING MEDICAL OR OSTEOPATHIC INTERNSHIP, INITIAL RESIDENCY, SUBSPECIALTY OR FELLOWSHIP TRAINING.
  - (E) MEDICAL RETENTION BONUS - A BONUS PAYABLE TO MEDICAL CORPS OFFICERS, WHO HAVE AT LEAST 8 YEARS CREDITABLE SERVICE, IN A SPECIALTY WITH SEVERE SHORTAGES, BELOW PAY GRADE 0-7, COMPLETED ACTIVE DUTY SERVICE FOR MEDICAL EDUCATION AND TRAINING AND EXECUTES A WRITTEN AGREEMENT TO REMAIN ON ACTIVE DUTY FOR AT LEAST TWO YEARS.
  - (F) MULTIYEAR SPECIALTY PAY (NSP) (P.L. 101-510) - NSP IS A BONUS PAYABLE TO MEDICAL CORPS OFFICERS WHO HAVE 8 YEARS OF CREDITABLE SERVICE OR NO FURTHER POST GRADUATE MEDICAL TRAINING OBLIGATION AND EXECUTES AN AGREEMENT TO SERVE AN ADDITIONAL TWO TO FOUR YEARS ON ACTIVE DUTY.

(2) DENTISTS PAY (37 U.S.C. 302B):

- (A) VARIABLE SPECIAL PAY - MONTHLY PAYMENT TO DENTAL CORPS OFFICERS ON ACTIVE DUTY UNDER A CALL OR ORDER TO ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN ONE YEAR. AMOUNT PAID VARIES WITH TOTAL LENGTH OF CREDITABLE SERVICE.
- (B) ADDITIONAL SPECIAL PAY - AN ANNUAL PAYMENT WHICH VARIES WITH LENGTH OF CREDITABLE SERVICE WHICH IS PAID TO DENTAL CORPS OFFICERS WHO EXECUTE A WRITTEN AGREEMENT TO REMAIN ON ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN ONE YEAR AND WHO ARE NOT UNDERGOING DENTAL INTERNSHIPS OR RESIDENCY TRAINING.
- (C) BOARD CERTIFIED PAY - A MONTHLY PAYMENT WHICH VARIES WITH LENGTH OF CREDITABLE SERVICE PAID TO DENTAL CORPS OFFICERS WHO ATTAIN BOARD CERTIFICATION OR BOARD CERTIFICATION EQUIVALENCY REQUIREMENTS.
- (D) ACCESSION BONUS - A BONUS PAID TO A DENTAL SCHOOL GRADUATE WHO AGREES TO ACCEPT A COMMISSION AS AN OFFICER AND REMAIN ON ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN FOUR YEARS.

(3) OPTOMETRISTS PAY (37 U.S.C. 302A) - \$100 PER MONTH PAYABLE TO OFFICERS ON ACTIVE DUTY DESIGNATED AS OPTOMETRISTS.

(4) NURSE PAY (37 U.S.C. 302D AND 302E):

- (A) ACCESSION BONUS - A BONUS PAID TO A PERSON WHO IS A REGISTERED NURSE WHO AGREES TO ACCEPT A COMMISSION AS AN OFFICER AND REMAIN ON ACTIVE DUTY FOR A PERIOD OF NOT LESS THAN FOUR YEARS.
- (B) INCENTIVE - FOR NURSE ANESTHETISTS WHO AGREES TO REMAIN ON ACTIVE DUTY FOR A PERIOD OF ONE YEAR OR MORE.

(5) PERSONAL MONEY ALLOWANCES (37 U.S.C. 414):

- (A) PERSONAL MONEY ALLOWANCES - PAID TO FLAG OFFICERS ON ACTIVE DUTY WHO ARE SERVING AS CHAIRMAN JOINT CHIEFS OF STAFF, VICE ADMIRALS, SENIOR MEMBERS OF THE MILITARY STAFF COMMITTEE OF THE UNITED NATIONS, ADMIRAL, OR CHIEF OF NAVAL OPERATIONS.
- (B) SPECIAL ALLOWANCES (37 U.S.C. 414B) - PAID TO OFFICERS ON ACTIVE DUTY SERVING AS COMMANDANT OF MIDSHIPMEN, U.S. NAVAL ACADEMY; SUPERINTENDENT, NAVAL POST GRADUATE SCHOOL; PRESIDENT, NAVAL WAR COLLEGE; SUPERINTENDENT, U.S. NAVAL ACADEMY, OR DIRECTOR OF NAVAL INTELLIGENCE.

(6) RESPONSIBILITY PAY (37 U.S.C. 306) - AN AMOUNT WHICH VARIES BY PAY GRADE, PAYABLE TO OFFICERS ON ACTIVE DUTY SERVING IN SECRETARY OF THE NAVY DESIGNATED POSITIONS OF UNUSUAL RESPONSIBILITY WHICH ARE OF A CRITICAL NATURE TO THE NAVY.



- (7) DIVING DUTY PAY (37 U.S.C. 304) - A MONTHLY AMOUNT NOT TO EXCEED \$200 PAID TO OFFICERS ON ACTIVE DUTY ASSIGNED TO DIVING DUTY. RECIPIENTS OF DIVING DUTY PAY ARE REQUIRED TO MAINTAIN PROFICIENCY AS DIVERS AND MUST ACTUALLY PERFORM DIVING DUTY.
- (8) NUCLEAR OFFICER INCENTIVE PAY (37 U.S.C. 312, 312B AND 312C):
- (A) AN ANNUAL BONUS NOT TO EXCEED \$12,000 PAID TO OFFICERS BELOW THE PAY GRADE OF O-7 WHO ARE QUALIFIED TO SUPERVISE, OPERATE, AND MAINTAIN NAVAL NUCLEAR PROPULSION PLANTS AND AGREE TO REMAIN ON ACTIVE DUTY.
  - (B) A BONUS NOT TO EXCEED \$8,000 PAID TO OFFICERS WHO COMPLETE NUCLEAR POWER TRAINING.
  - (C) AN ANNUAL BONUS NOT TO EXCEED \$10,000 PAID TO OFFICERS BELOW THE PAY GRADE OF O-7 WHO ARE QUALIFIED TO SUPERVISE, OPERATE, AND MAINTAIN NAVAL NUCLEAR PROPULSION PLANTS.
- (10) SEA PAY (37 U.S.C. 305A):
- (A) CAREER SEA PAY - A VARIABLE AMOUNT PAID MONTHLY TO OFFICERS ON ACTIVE DUTY WHO ARE PERMANENTLY OR TEMPORARILY SERVING ON A SHIP, THE PRIMARY MISSION OF WHICH IS ACCOMPLISHED WHILE UNDERWAY, OR WHILE SERVING AS A MEMBER OF THE OFF CREW OF A TWO-CREWED SUBMARINE; OR WHEN SERVING ON A SHIP, THE PRIMARY MISSION OF WHICH IS ACCOMPLISHED WHILE IN PORT, CAREER SEA PAY IS EARNED ONLY DURING A PERIOD THAT THE SHIP IS AWAY FROM ITS HOMEPORT.
  - (B) PREMIUM SEA PAY - \$100 PER MONTH PAID TO OFFICERS WHO ARE ENTITLED TO CAREER SEA PAY WHO HAVE SERVED MORE THAN 36 CONSECUTIVE MONTHS ON SEA DUTY PAYABLE ON THE 37TH CONSECUTIVE MONTH.
- (11) IMMINENT DANGER PAY (37 U.S.C. 310) - A MONTHLY PAYMENT OF \$150 TO OFFICERS ON ACTIVE DUTY WHO ARE IN DESIGNATED AREAS OR TO MEMBERS WHO ARE EXPOSED TO HOSTILE FIRE OR EXPLOSION OF HOSTILE MINES, OR MEMBERS WHO ARE IN A FOREIGN COUNTRY IN WHICH MEMBER WAS SUBJECT TO THE THREAT OF PHYSICAL HARM OR IMMINENT DANGER ON THE BASIS OF CIVIL INSURRECTION, CIVIL WAR, TERRORISM, OR WARTIME CONDITIONS.
- (12) FOREIGN LANGUAGE PROFICIENCY PAY (37 U.S.C. 316) - A MONTHLY PAYMENT NOT TO EXCEED \$100 MADE TO QUALIFIED OFFICERS WHOSE MILITARY SPECIALTY REQUIRES PROFICIENCY IN A FOREIGN LANGUAGE.
- (13) PSYCHOLOGIST DIPLOMATE PAY/NON PHYSICIAN BOARD CERTIFIED PAY (37 U.S.C. 302C) - AN ANNUAL PAYMENT FOR MEDICAL SERVICE CORPS OFFICERS WHO ARE HEALTH CARE PROVIDERS, CERTIFIED BY A PROFESSIONAL BOARD OF THEIR SPECIALTY OR AWARDED A DIPLOMA AS A DIPLOMATE IN PSYCHOLOGY.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SPECIAL PAY FOR PHYSICIANS AND DENTISTS IS COMPUTED BY MULTIPLYING THE STATUTORY RATES FOR MEMBERS WITHIN EACH APPLICABLE LONGEVITY STEP. COSTS FOR CAREER SEA PAY ARE BASED ON AVERAGE RATES AND GRADE DISTRIBUTION EXPERIENCED IN FY 1996. OTHER SPECIAL PAYS ARE BASED ON STATUTORY RATES PRESCRIBED FOR EACH ENTITLEMENT AS APPLICABLE.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:



## (IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) PHYSICIANS PAY												
(A) VARIABLE	4,068	\$7,744.84	\$31,506	4,141	\$7,741.37	\$32,057	4,090	\$7,733.99	\$31,632	4,034	\$7,741.45	\$31,229
(B) ADDITIONAL	3,074	15,000.00	46,110	3,040	15,000.00	45,600	3,016	15,000.00	45,240	2,982	15,000.00	44,730
(C) BOARD CERTIFIED	1,847	3,830.54	7,075	1,828	3,870.35	7,075	1,815	3,870.51	7,025	1,790	3,871.51	6,930
(D) MEDICAL INCENTIVE	2,007	18540.00	37,211	1,932	19468.94	37,614	1,932	20090.06	38,814	1,932	20711.08	40,014
(E) MED RETENTION BONUS	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(F) MULTI YEAR PAY	986	10598.00	10,450	991	10544.90	10,450	991	10444.00	10,350	991	10444.00	10,350
TOTAL (1)			132,352			132,796			133,061			133,253
(2) DENTISTS PAY												
(A) VARIABLE	1,356	3,295.72	4,469	1,328	4,743.98	6,300	1,314	4,762.56	6,258	1,321	4,763.06	6,292
(B) ADDITIONAL	935	7,360.43	6,892	1,328	6,608.43	8,776	1,314	6,607.31	8,682	1,321	6,608.63	8,730
(C) BOARD CERTIFIED	223	3,614.35	806	218	5,059.63	1,103	232	5,008.62	1,162	235	5,004.26	1,176
(D) ACCESSION BONUS	0	0.00	0	66	30000.00	1,980	96	30000.00	2,880	96	30000.00	2,880
(E) SAVED PAY			73			250			250			250
TOTAL (2)			12,230			18,409			19,232			19,328
(3) OPTOMETRISTS PAY	126	1,200.00	151	133	1,200.00	160	133	1,200.00	160	129	1,200.00	155
(4) NURSES PAY												
(A) ACCESSION BONUS	70	5,000.00	350	50	5,000.00	250	50	5,000.00	250	65	5,000.00	325
(B) INCENTIVE	124	10,401.46	1,290	137	10,729.83	1,470	137	10,992.70	1,506	137	11,242.00	1,540
TOTAL (4)			1,640			1,720			1,756			1,865
TOTAL (1)(2)(3)(4)			146,373			153,085			154,209			154,601
(5) PERSONAL MONEY ALLOWANCE												
(A) FLAG OFFICERS												
ADMIRAL (CNO)	0	4,000.00	0	1	4,000.00	4	1	4,000.00	4	1	4,000.00	4
ADMIRAL	9	2,200.00	20	7	2,200.00	15	7	2,200.00	15	7	2,200.00	15
VICE ADMIRAL (UN)	0	2,700.00	0	1	2,700.00	3	1	2,700.00	3	1	2,700.00	3
VICE ADMIRAL	29	500.00	15	25	500.00	13	25	500.00	13	25	500.00	13
TOTAL (5) (A)	38		35	34		35	34		35	34		35
(B) SPECIAL ALLOWANCES	5	2,520.00	13	5	2,520.00	13	5	2,520.00	13	5	2,520.00	13
TOTAL (5)			\$48			\$48			\$48			\$48

(IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(6) RESPONSIBILITY PAY	681	\$1,352.42	\$921	694	\$1,368.88	\$950	694	\$1,368.88	\$950	694	\$1,368.88	\$950
(7) DIVING DUTY PAY	1,191	2,324.10	2,768	1,230	2,339.84	2,878	1,230	2,339.84	2,878	1,230	2,339.84	2,878
(8) NUCLEAR OFFICER INCENTIVE PAY	3,392	6,701.02	22,730	3,208	8,191.40	26,278	3,202	8,392.25	26,872	3,053	8,292.83	25,318
(10) SEA PAY												
(A) CAREER SEA PAY												
CAPTAIN	244	3,516.60	858	251	3,516.60	883	254	3,516.60	893	254	3,516.60	893
COMMANDER	756	2,928.00	2,214	748	2,928.00	2,190	805	2,928.00	2,357	805	2,928.00	2,357
LIEUTENANT COMMANDER	1,353	2,497.68	3,379	1,390	2,497.68	3,472	1,480	2,497.68	3,697	1,480	2,497.68	3,697
LIEUTENANT	2,106	2,083.32	4,387	1,906	2,083.32	3,971	1,709	2,083.32	3,560	1,709	2,083.32	3,560
LIEUTENANT (JG)	491	2,193.36	1,077	417	2,193.36	915	425	2,193.36	932	425	2,193.36	932
ENSIGN	334	2,213.88	739	328	2,213.88	726	227	2,213.88	503	227	2,213.88	503
WARRANT OFFICER W-4	87	4,521.12	393	100	4,521.12	452	155	4,521.12	701	155	4,521.12	701
WARRANT OFFICER W-3	229	4,009.20	918	231	4,009.20	926	180	4,009.20	722	180	4,009.20	722
WARRANT OFFICER W-2	361	3,466.08	1,251	384	3,466.08	1,331	433	3,466.08	1,501	433	3,466.08	1,501
WARRANT OFFICER W-1	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
SUB-TOTAL	5,961		15,216	5,755		14,886	5,668		14,866	5,668		14,866
(B) PREMIUM SEA PAY	1,332	1,200.00	1,598	1,350	1,200.00	1,620	1,322	1,200.00	1,586	1,322	1,200.00	1,586
TOTAL (10)			16,814			16,486			16,452			16,452
(11) IMMINENT DANGER PAY	1,817	1,800.00	3,271	1,833	1,800.00	3,299	1,811	1,800.00	3,260	1,856	1,800.00	3,341
(12) FOREIGN LANGUAGE PROFICIENCY PAY	179	865.92	155	239	845.19	202	350	828.57	290	360	827.78	298
(13) PSYCH DIPLOMATE/ NON PHYSICIAN PAY	85	2,917.65	248	95	2,900.00	276	95	2,900.00	276	95	2,900.00	276
TOTAL 1-D			\$193,328			\$203,502			\$205,235			\$204,162

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-E BASIC ALLOWANCE FOR QUARTERS

-FY 1999	ESTIMATE	\$374,672
-FY 1998	ESTIMATE	\$369,276
-FY 1997	ESTIMATE	\$370,001
-FY 1996	ESTIMATE	\$359,993

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR BASIC ALLOWANCE FOR QUARTERS (37 U.S.C. 403), (37 U.S.C. 1009), AND (EXECUTIVE ORDER NO. 11157, AS AMENDED), TO MILITARY MEMBERS WITH OR WITHOUT DEPENDENTS, TO INCLUDE PARTIAL PAYMENT TO BACHELORS IN GOVERNMENT QUARTERS, ON SEA DUTY OR ON FIELD DUTY; AND TO TO MILITARY MEMBERS OCCUPYING INADEQUATE FAMILY HOUSING UNDER THE PROVISIONS OF SECTION 2830 OF THE FY 1983 MILITARY CONSTRUCTION CODIFICATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

BASIC ALLOWANCE FOR QUARTERS IS COMPUTED BY MULTIPLYING THE NUMBER OF ELIGIBLE OFFICERS BY PAY GRADE BY THE STATUTORY RATES. THE RATES REFLECT A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998, AND A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1999. AS PART OF THE QUALITY OF LIFE PROPOSAL, BAQ RATES INCREASED FOR WITH AND WITHOUT DEPENDENTS TO 5.2% IN FY 1996 (1.8% ABOVE THE PAY RAISE AMOUNT) AND 4.6% IN FY 1997 (1.6% ABOVE THE PAY RAISE AMOUNT).

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) WITH DEPENDENTS												
FLAG OFFICERS	90	\$11,510.25	\$1,036	90	\$12,051.52	\$1,085	89	\$12,438.73	\$1,107	89	\$12,805.93	\$1,140
CAPTAIN	2,412	10,359.44	24,987	2,287	10,844.82	24,802	2,208	11,200.67	24,731	2,052	11,529.51	23,659
COMMANDER	5,352	9,985.40	53,442	5,256	10,453.20	54,942	4,970	10,794.58	53,649	5,077	11,111.56	56,413
LIEUTENANT COMMANDER	7,449	8,801.04	65,559	7,647	9,214.71	70,465	7,624	9,515.91	72,549	7,803	9,796.87	76,446
LIEUTENANT	11,153	7,414.07	82,689	11,010	7,766.24	85,508	10,432	8,018.64	83,650	9,839	8,259.20	81,263
LIEUTENANT (JC)	2,612	6,514.95	17,017	2,491	6,824.41	17,000	2,382	7,046.20	16,784	2,311	7,257.59	16,772
ENSIGN	1,897	6,049.67	11,476	1,929	6,337.03	12,224	2,014	6,542.98	13,178	2,104	6,739.27	14,179
WARRANT OFFICER W-4	348	7,785.95	2,709	327	8,153.64	2,666	249	8,414.78	2,095	209	8,688.37	1,812
WARRANT OFFICER W-3	653	7,134.91	4,659	647	7,475.15	4,836	608	7,717.05	4,692	553	7,944.52	4,393
WARRANT OFFICER W-2	610	6,560.75	4,002	496	6,864.81	3,405	415	7,160.89	2,947	438	7,310.11	3,202
WARRANT OFFICER W-1	1	5,508.62	6	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL (1)	32,577		\$267,582	32,180		\$276,931	30,991		\$275,382	30,475		\$279,279

## (IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) WITHOUT DEPENDENTS												
FLAG OFFICERS												
CAPTAIN	3	\$9,407.75	\$28	3	\$9,896.84	\$30	3	\$10,173.95	\$31	3	\$10,479.17	\$31
COMMANDER	246	8,576.43	2,110	234	8,977.21	2,101	228	9,270.88	2,114	215	9,543.39	2,052
LIEUTENANT COMMANDER	937	8,256.02	6,910	807	8,644.90	6,976	771	8,926.87	6,983	784	9,189.18	7,204
LIEUTENANT	1,752	7,652.83	13,408	1,695	8,013.46	13,583	1,690	8,275.02	13,985	1,724	8,519.32	14,687
LIEUTENANT (JG)	6,229	6,169.84	38,432	6,023	6,462.91	38,926	5,769	6,672.95	38,496	5,508	6,873.14	37,857
ENSIGN	3,187	4,920.91	15,683	3,006	5,154.65	15,495	2,905	5,322.18	15,461	2,840	5,481.84	15,568
WARRANT OFFICER W-4	3,553	4,151.64	14,751	3,435	4,348.84	14,938	3,558	4,490.18	15,976	3,689	4,624.89	17,061
WARRANT OFFICER W-3	25	6,899.15	172	23	7,229.16	166	18	7,461.16	134	15	7,685.30	115
WARRANT OFFICER W-2	49	5,810.66	285	47	6,076.67	286	44	6,273.36	276	41	6,458.31	265
WARRANT OFFICER W-1	63	5,144.22	324	50	5,386.87	269	44	5,569.34	245	46	5,733.51	264
	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL (2)	15,944		92,103	15,323		92,770	15,030		93,601	14,865		95,104
(3) PARTIAL ALLOWANCE - BACHELOR												
FLAG OFFICERS												
CAPTAIN	1	627.91	1	2	627.91	1	2	627.91	1	2	627.91	1
COMMANDER	17	493.78	8	18	493.78	9	17	493.78	8	16	493.78	8
LIEUTENANT COMMANDER	40	404.80	16	41	404.80	17	39	404.80	16	40	404.80	16
LIEUTENANT	102	325.29	33	100	325.29	33	100	325.29	33	102	325.29	33
LIEUTENANT (JG)	479	266.87	128	460	266.87	123	440	266.87	117	421	266.87	112
ENSIGN	201	213.68	43	195	213.68	42	190	213.68	41	184	213.68	39
WARRANT OFFICER W-4	412	158.08	65	415	158.08	66	429	158.08	68	446	158.08	71
WARRANT OFFICER W-3	2	465.80	1	1	465.80	0	1	465.80	0	1	465.80	0
WARRANT OFFICER W-2	5	251.07	1	5	251.07	1	5	251.07	1	5	251.07	1
WARRANT OFFICER W-1	8	185.23	1	6	185.23	1	6	185.23	1	6	185.23	1
	0	165.60	0	0	165.60	0	0	165.60	0	0	165.60	0
TOTAL (3)	1,267		297	1,243		293	1,229		286	1,223		282
(4) SUBSTANDARD FAMILY HOUSING												
CAPTAIN	0	2,589.86	0	0	2,711.21	0	0	2,800.17	0	0	2,882.38	0
COMMANDER	0	2,496.35	0	0	2,613.30	0	0	2,698.64	0	0	2,777.89	0
LIEUTENANT COMMANDER	1	2,408.45	2	1	2,499.30	2	1	2,604.84	2	1	2,682.99	2
LIEUTENANT	1	2,266.34	2	1	2,373.99	2	1	2,451.15	2	1	2,524.68	2
LIEUTENANT (JG)	3	1,373.61	4	2	1,438.86	3	2	1,485.62	3	2	1,530.19	3
ENSIGN	1	3,160.98	3	0	3,311.13	0	0	3,318.74	0	0	3,521.30	0
WARRANT OFFICER W-4	0	1,946.49	0	0	2,038.41	0	0	2,103.70	0	0	2,167.09	0
WARRANT OFFICER W-3	0	1,783.73	0	0	1,868.79	0	0	1,929.26	0	0	1,986.13	0
WARRANT OFFICER W-2	0	1,640.19	0	0	1,716.20	0	0	1,775.22	0	0	1,827.53	0
WARRANT OFFICER W-1	0	1,377.15	0	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL (4)	6		11	4		7	4		7	4		7
TOTAL 1-E	49,794		\$359,993	48,750		\$370,001	47,254		\$369,276	46,567		\$374,672

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$145,946  
-FY 1998 ESTIMATE \$146,756  
-FY 1997 ESTIMATE \$146,940  
-FY 1996 ESTIMATE \$143,899

PROJECT: 1-F VARIABLE HOUSING ALLOWANCE

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE PAY FOR OFFICERS ON ACTIVE DUTY, OR THEIR DEPENDENTS, BASED ON PAY GRADE AND DUTY ASSIGNMENT IN HIGH COST HOUSING AREAS IN THE CONTINENTAL UNITED STATES, ALASKA AND HAWAII (37 U.S.C. 403A).

PART II - JUSTIFICATION OF FUNDS REQUESTED

VARIABLE HOUSING ALLOWANCE IS COMPUTED BY MULTIPLYING THE NUMBER ELIGIBLE BY THE PERCENTAGE EXPERIENCED DURING FY 1996. THE RATES ARE BASED ON ACTUAL EXPERIENCE WITH AN INCREASE FOR COST GROWTH OF 2.1% IN FY 1997, 2.1% IN FY 1998, AND 2.1% IN FY 1999. WORKYEARS ARE DIRECTLY RELATED TO BASIC ALLOWANCE FOR QUARTERS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
VARIABLE HOUSING												
FLAG OFFICERS	89	\$4,282.13	\$382	93	\$4,471.02	\$416	93	\$4,595.61	\$427	92	\$4,694.77	\$432
CAPTAIN	2,479	4,361.03	10,811	2,358	4,542.79	10,712	2,293	4,689.38	10,707	2,108	4,770.14	10,055
COMMANDER	5,698	4,048.79	23,070	5,593	4,217.54	23,589	5,327	4,335.07	23,093	5,376	4,428.61	23,808
LIEUTENANT COMMANDER	8,308	3,748.31	31,141	8,476	3,904.53	33,095	8,502	4,013.34	34,121	8,599	4,099.94	35,256
LIEUTENANT	15,753	3,099.03	48,819	15,449	3,228.19	49,873	14,786	3,318.15	49,061	13,843	3,389.75	46,925
LIEUTENANT (JG)	5,009	2,653.42	13,291	4,761	2,764.01	13,159	4,609	2,841.03	13,094	4,437	2,902.34	12,878
ENSIGN	4,695	2,155.48	10,120	4,821	2,245.32	10,376	4,831	2,307.69	11,148	4,866	2,357.69	11,708
WARRANT OFFICER W-4	390	3,723.08	1,452	331	3,878.25	1,284	253	3,986.33	1,009	211	4,072.34	859
WARRANT OFFICER W-3	667	3,530.73	2,355	652	3,677.88	2,398	615	3,780.38	2,325	555	3,861.95	2,143
WARRANT OFFICER W-2	623	3,937.40	2,453	497	4,101.50	2,038	420	4,215.80	1,771	437	4,306.77	1,882
WARRANT OFFICER W-1	1	5,000.00	5	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL 1-F	43,712		\$143,899	42,831		\$146,940	41,729		\$146,756	40,624		\$145,946

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-G BASIC ALLOWANCE FOR SUBSISTENCE

-FY 1999	ESTIMATE	\$101,329
-FY 1998	ESTIMATE	\$103,234
-FY 1997	ESTIMATE	\$103,234
-FY 1996	ESTIMATE	\$103,589

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED WILL PROVIDE FOR A CASH ALLOWANCE, PAYABLE BY LAW TO OFFICERS AT ALL TIMES, TO REIMBURSE THEM FOR THE EXPENSE OF SUBSISTING THEMSELVES (37 U.S.C. 402).

PART II - JUSTIFICATION OF FUNDS REQUESTED

BASIC ALLOWANCE FOR SUBSISTENCE IS COMPUTED BY MULTIPLYING THE TOTAL OFFICER WORKYEAR AVERAGE BY THE STATUTORY RATE OF \$1,798.04 PER ANNUM EFFECTIVE 01 JANUARY 1996 PLUS A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, 1.0% EFFECTIVE 01 JANUARY 1998, AND 1.0% EFFECTIVE 01 JANUARY 1999.

STARTING IN FY 1998, BAS REFORM IS INITIATED BY AUTHORIZING A PARTIAL BAS PAYMENT. THE PARTIAL BAS PROPOSAL IS A COST NEUTRAL EFFORT TO PROVIDE ALL ELIGIBLE ENLISTED PERSONNEL WITH A BAS PAYMENT. THE PROPOSAL LIMITS THE GROWTH OF BAS TO ONE PERCENT PER YEAR IN ORDER TO ALLOW THE DEPARTMENT TO MAKE A PARTIAL BAS PAYMENT WITH THE REMAINING PAY RAISE RESOURCES TO MEMBERS RECEIVING SUBSISTENCE-IN-KIND (SIK) PAYMENTS. PROJECTED INCREASES IN COST GROWTH WILL ALLOW THE U.S. DEPARTMENT OF AGRICULTURE (USDA) FOOD PLANS TO CATCH-UP WITH THE BAS PAYMENT IN APPROXIMATELY SIX YEARS AT WHICH TIME ALL ENLISTED PERSONNEL WILL BE ENTITLED TO A BAS PAYMENT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
BASIC ALLOWANCE FOR SUBSISTENCE	58,024	\$1,785.27	\$103,589	58,274	\$1,834.48	\$103,234	54,775	\$1,852.83	\$101,489	54,147	\$1,871.36	\$101,329
TOTAL 1-G	58,024		\$103,589	58,274		\$103,234	54,775		\$101,489	54,147		\$101,329

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-H STATION ALLOWANCES, OVERSEAS

-FY 1999	ESTIMATE	\$79,481
-FY 1998	ESTIMATE	\$78,028
-FY 1997	ESTIMATE	\$81,476
-FY 1996	ESTIMATE	\$82,357

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR PAYMENTS OF A PER DIEM ALLOWANCE TO MEMBERS AND THEIR DEPENDENTS ON DUTY OUTSIDE THE UNITED STATES FOR INCREASED COST OF LIVING, HOUSING AND TEMPORARY LODGING ALLOWANCES. AUTHORIZATION IS PROVIDED UNDER PROVISION OF (37 U.S.C. 405) AND THE JOINT FEDERAL TRAVEL REGULATIONS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE NUMBERS FOR COST OF LIVING ALLOWANCE (COLA) AND HOUSING ALLOWANCE ARE BASED ON ACTUAL EXPERIENCE ADJUSTED TO REFLECT CHANGES IN OVERSEAS STRENGTH. THESE RATES REFLECT LATEST EXPERIENCE FOR FOREIGN CURRENCY RATES. THE RATES FOR COLA REFLECT A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, 2.8% EFFECTIVE 01 JANUARY 1988, AND 3.0% EFFECTIVE 01 JANUARY 1999. BEGINNING IN FY 1997, MPN RE-JOINS THE FOREIGN CURRENCY FLUCTUATIONS, DEFENSE ACCOUNT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1998			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) COST OF LIVING	7,646	\$6,209.65	\$47,479	7,625	\$6,068.67	\$46,274	7,588	\$5,859.35	\$44,461	7,576	\$6,042.62	\$45,779
(2) HOUSING	2,498	10,914.26	27,242	2,506	10,776.30	27,005	2,493	10,117.26	25,222	2,489	10,117.26	25,182
(3) TEMPORARY LODGING			7,636			8,197			8,345			8,520
TOTAL 1-H			\$82,357			\$81,476			\$78,028			\$79,481

(IN THOUSANDS OF DOLLARS)

PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA)

-FY 1999 ESTIMATE \$3,200  
-FY 1998 ESTIMATE \$3,100  
-FY 1997 ESTIMATE \$3,000  
-FY 1996 ESTIMATE \$1,930

PART I - PURPOSE AND SCOPE

THE FUNDS REQUESTED WILL PROVIDE FOR PAYMENT OF A COST OF LIVING ALLOWANCE (COLA) TO SAILORS WHO ARE ASSIGNED TO HIGH COST AREAS IN THE CONTINUOUS UNITED STATES (CONUS). HIGH COST AREAS ARE GROUPED AS MILITARY HOUSING AREAS (MHA) WHERE THE COST OF GOODS AND SERVICES EXCEED 100 PERCENT OF THE NATIONAL COST OF LIVING AVERAGE. THE AMOUNT OF COLA PAYABLE IS THE PRODUCT OF SPENDABLE INCOME (BASED ON REGULAR MILITARY COMPENSATION) TIMES THE DIFFERENCE BETWEEN THE COLA INDEX FOR THE INDIVIDUAL'S HIGH COST AREA AND THE THRESHOLD PERCENTAGE. THIS ALLOWANCE WAS ENACTED BY THE FY 1995 DOD AUTHORIZATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONUS COLA PAYMENTS ARE DETERMINED BY MULTIPLYING THE PROJECTED NUMBER OF PERSONNEL ELIGIBLE BY AN ESTIMATED RATE.

DETAILED COST COMPUTATIONS ARE PROVIDED BY THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) COST OF LIVING	4,574	421.89	1,930	6,944	432.02	3,000	6,980	444.12	3,100	6,995	457.44	3,200
TOTAL			\$1,930			\$3,000			\$3,100			\$3,200



(IN THOUSANDS OF DOLLARS)

PROJECT: 1-1 UNIFORM ALLOWANCES

-FY 1999 ESTIMATE \$1,541  
 -FY 1998 ESTIMATE \$1,521  
 -FY 1997 ESTIMATE \$1,431  
 -FY 1996 ESTIMATE \$1,229

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED WILL PROVIDE FOR PAYMENT OF AN INITIAL CLOTHING ALLOWANCE (37 U.S.C. 415 AND 416) TO OFFICERS UPON COMMISSIONING AND AN ACTIVE DUTY CLOTHING ALLOWANCE TO RESERVES UPON ENTRY OR REENTRY ON ACTIVE DUTY FOR A PERIOD OF 90 DAYS OR MORE. CIVILIAN CLOTHING ALLOWANCES ARE AUTHORIZED BY THE FY 1988 DOD AUTHORIZATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

UNIFORM ALLOWANCES ARE COMPUTED BY MULTIPLYING THE NUMBER OF PERSONNEL ELIGIBLE IN EACH CATEGORY BY THE AUTHORIZED RATES.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) INITIAL												
(A) AVIATION OFFICER CANDIDATES	376	\$200.00	\$75	437	\$200.00	\$87	437	\$200.00	\$87	437	\$200.00	\$87
(B) OTHER RESERVISTS	1,744	200.00	349	2,245	200.00	449	2,433	200.00	487	2,533	200.00	507
(C) REGULAR	1,621	200.00	324	1,561	200.00	312	1,685	200.00	337	1,585	200.00	317
TOTAL (1)	3,741		748	4,243		848	4,555		911	4,555		911
(2) ADDITIONAL	2,900	100.00	290	2,775	100.00	278	2,992	100.00	299	3,120	100.00	312
(3) CIVILIAN	138	1383.14	191	216	1,411.85	305	216	1,441.49	311	216	1,471.77	318
TOTAL 1-1			\$1,229			\$1,431			\$1,521			\$1,541

(IN THOUSANDS OF DOLLARS)

PROJECT: 1-J FAMILY SEPARATION ALLOWANCE

-FY 1999 ESTIMATE \$3,905  
-FY 1998 ESTIMATE \$3,891  
-FY 1997 ESTIMATE \$3,833  
-FY 1996 ESTIMATE \$3,421

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE AN ALLOWANCE TO OFFICERS WITH DEPENDENTS (37 U.S.C. 427) FOR ADDED SEPARATION EXPENSES WHEN THE REQUIREMENTS LISTED BELOW ARE MET:

- (1) THE MOVEMENT OF DEPENDENTS TO AN OVERSEAS PERMANENT DUTY STATION IS NOT AUTHORIZED AND THE MEMBER MUST MAINTAIN TWO HOMES.
- (2) THE MOVEMENT OF DEPENDENTS TO THE PERMANENT DUTY STATION OR A PLACE NEAR THE STATION IS NOT AUTHORIZED AT GOVERNMENT EXPENSE UNDER THE JOINT TRAVEL REGULATIONS AND THE MEMBER'S DEPENDENTS DO NOT RESIDE AT OR NEAR THAT STATION.
- (3) THE MEMBER IS ON DUTY ON BOARD A SHIP AWAY FROM THE HOME PORT OF THE SHIP FOR A CONTINUOUS PERIOD OF MORE THAN 30 DAYS.
- (4) THE MEMBER IS ON TEMPORARY DUTY OR TEMPORARY ADDITIONAL DUTY AWAY FROM HIS PERMANENT STATION FOR A CONTINUOUS PERIOD OF MORE THAN 30 DAYS AND THE MEMBER'S DEPENDENTS DO NOT RESIDE AT OR NEAR THE MEMBER'S TEMPORARY OR TEMPORARY ADDITIONAL DUTY STATION.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FAMILY SEPARATION ALLOWANCES ARE DETERMINED BY MULTIPLYING THE PLANNED NUMBER OF MEMBERS ELIGIBLE BY THE STATUTORY RATES. THE RATES WHERE APPLICABLE, INCLUDE A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, 2.8% EFFECTIVE 01 JANUARY 1998, AND 3.0% EFFECTIVE 01 JANUARY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) ON PERMANENT CHANGE OF STATION WITH DEPENDENTS NOT AUTHORIZED GOVERNMENT QUARTERS NOT AVAILABLE												
CAPTAIN	7	\$8,573.31	\$60	7	\$8,875.89	\$62	7	\$9,270.56	\$65	7	\$9,544.14	\$67
COMMANDER	16	8,254.78	132	17	8,546.12	145	17	8,926.13	152	17	9,189.54	156
LIEUTENANT COMMANDER	18	7,652.28	138	19	7,922.35	151	19	8,274.62	157	19	8,518.81	162
LIEUTENANT	15	6,132.56	92	16	6,349.00	102	16	6,631.31	106	16	6,827.01	109
LIEUTENANT (JG)	5	4,862.30	24	6	5,033.91	30	6	5,257.75	32	6	5,412.90	32
ENSIGN	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
WARRANT OFFICER W-4	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
WARRANT OFFICER W-3	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
WARRANT OFFICER W-2	2	5,150.13	10	2	5,331.89	11	2	5,568.98	11	2	5,733.32	11
WARRANT OFFICER W-1	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
SUB-TOTAL (1)	63		\$456	67		\$501	67		\$523	67		\$537

(IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) ON PERMANENT CHANGE OF STATION WITH DEPENDENTS NOT AUTHORIZED	208	\$900.00	\$185	336	\$900.00	\$302	336	\$900.00	\$302	336	\$900.00	\$302
(3) ON BOARD SHIP FOR MORE THAN 30 DAYS	1,725	900.00	1,553	2,041	900.00	1,837	2,081	900.00	1,873	2,081	900.00	1,873
(4) ON TEMPORARY DUTY FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TEMPORARY DUTY STATION	1,363	900.00	1,227	1,325	900.00	1,193	1,325	900.00	1,193	1,325	900.00	1,193
TOTAL 1-J			\$3,421			\$3,833			\$3,891			\$3,905

	FY 1999	ESTIMATE	\$45,369
	FY 1998	ESTIMATE	\$43,208
	FY 1997	ESTIMATE	\$70,089
	FY 1996	ESTIMATE	\$81,630

PROJECT: 1-K SEPARATION PAYMENTS

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE:

- (1) LUMP SUM TERMINAL LEAVE PAYMENTS FOR UNUSED ACCRUED LEAVE AT TIME OF DISCHARGE, OR DEATH UNDER PROVISIONS OF (37 U.S.C. 501), AND (10 U.S.C. 701).
- (2) LUMP SUM PAYMENT TO RESERVISTS WHO ARE INVOLUNTARILY RELEASED FROM ACTIVE DUTY AFTER HAVING COMPLETED AT LEAST SIX YEARS OF ACTIVE DUTY AS PROVIDED UNDER PROVISIONS OF (10 U.S.C. 687).
- (3) SEVERANCE PAY FOR FAILURE OF PROMOTION OR FOR REASONS OTHER THAN PHYSICAL DISABILITY UNDER PROVISIONS OF (10 U.S.C. 6383).
- (4) SEVERANCE PAY DISABILITY FOR MEMBERS ON ACTIVE DUTY AND TEMPORARY DISABILITY RETIRED LIST WHO ARE SEPARATED FOR PHYSICAL REASONS UNDER THE PROVISIONS OF (10 U.S.C. 1212).
- (5) INVOLUNTARY - HALF SEVERANCE PAY IS 5% OF THE PRODUCT OF MEMBERS YEARS ACTIVE SERVICE PLUS FRACTIONS OF YEARS BASED ON FULL MONTHS AND 12 TIMES MONTHLY BASIC PAY IS AUTHORIZED TO MEMBERS NOT FULLY QUALIFIED FOR RETENTION AND IS DENIED REENLISTMENT OR CONTINUATION.

INVOLUNTARY - FULL SEVERANCE PAY IS 10% OF THE PRODUCT OF MEMBERS YEARS ACTIVE SERVICE PLUS FRACTIONS OF YEARS BASED ON FULL MONTHS AND 12 TIMES MONTHLY BASIC PAY IS AUTHORIZED TO MEMBERS INVOLUNTARILY SEPARATED FROM ACTIVE DUTY BUT WHO ARE FULLY QUALIFIED FOR RETENTION, BUT ARE DENIED REENLISTMENT OR CONTINUATION.

VOLUNTARY - SPECIAL SEPARATION BENEFITS ((SSB) 10 USC 1174a) WILL PAY MEMBERS A LUMP-SUM AMOUNT EQUAL TO 15% OF THEIR ANNUAL BASIC PAY MULTIPLIED BY THEIR YEARS OF SERVICE.

- (6) VOLUNTARY SEPARATION INCENTIVE ((VSI) 10 USC 1175) WILL PAY MEMBERS 2.5 TIMES THEIR ANNUAL BASIC PAY, MULTIPLIED BY THEIR YEARS OF SERVICE. PAYMENTS WILL BE ANNUAL AND LAST FOR TWICE THE NUMBER OF YEARS OF SERVICE.

- (7) 15 YEAR EARLY RETIREMENT PROGRAM (ERP) FOR MEMBERS ON ACTIVE DUTY WITH MORE THAN 15 BUT LESS THAN 20 YEARS OF SERVICE. THE FY 1993 DEFENSE AUTHORIZATION ACT APPROVED AN ACTIVE DUTY EARLY RETIREMENT PROGRAM FOR USE DURING THE FORCE DRAWDOWN. THE EARLY RETIREMENT PROGRAM IS NECESSARY TO SHAPE THE 15-20 YEAR SEGMENT OF THE FORCE. IT WILL ASSIST THE SERVICES IN ACHIEVING THEIR DRAWDOWN GOALS OF MAINTAINING READINESS AND TREATING PEOPLE FAIRLY. THE CRITERIA FOR EARLY RETIREMENT WILL INCLUDE SUCH FACTORS AS GRADE, YEARS OF SERVICE, AND SKILL, WITH A FOCUS ON THE POPULATION WHERE THE INVENTORY EXCEEDS REQUIREMENTS. MEMBERS APPROVED FOR EARLY RETIREMENT WILL RECEIVE THE SAME BENEFITS AS INDIVIDUALS WITH 20 OR MORE YEARS OF SERVICE. HOWEVER, THEIR RETIRED PAY WILL BE REDUCED ONE PERCENT FOR EACH YEAR THAT THEY ARE SHORT OF 20 YEARS OF ACTIVE DUTY. THE EARLY RETIREMENT AMOUNT IS THE PRODUCT OF 2.5 PERCENT X THE YEARS OF SERVICE X BASIC PAY (ADJUSTED FOR COLA) X REDUCTION FACTOR. FOR MEMBERS WHO LEAVE UNDER THE EARLY RETIREMENT PROGRAM, THE NAVY IS REQUIRED TO ESTABLISH A SUBACCOUNT WITHIN MPN TO FUND UP FRONT ALL EARLY RETIREMENT PAYMENTS INCLUDING COST OF LIVING ADJUSTMENTS, WHICH WILL COVER THE ENTIRE INITIAL PERIOD. THIS PERIOD IS DEFINED AS THAT PERIOD EQUAL TO THE DIFFERENCE BETWEEN 20 YEARS AND THE NUMBER OF YEARS COMPLETED BY THE MEMBER. THE AUTHORITY TO PAY THE EARLY RETIREMENT PROGRAM EXPIRES ON 1 OCTOBER 1999.

PART II - JUSTIFICATION OF FUNDS REQUESTED

LUMP SUM TERMINAL LEAVE PAYMENTS ARE COMPUTED ON THE BASIS OF THE NUMBER OF MEMBERS SEPARATED FROM THE SERVICE AT AVERAGE RATES EXPERIENCED DURING FY 1996. OTHER SEPARATION PAYMENTS ARE COMPUTED ON THE BASIS OF THE NUMBER OF MEMBERS ELIGIBLE FOR EACH APPLICABLE SEPARATION PAYMENT AT RATES EXPERIENCED DURING FY 1996. THESE RATES REFLECT THE 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, 2.8% EFFECTIVE 01 JANUARY 1998, AND 3.0% EFFECTIVE 01 JANUARY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

## (IN THOUSANDS OF DOLLARS)

	FY 1996				FY 1997				FY 1998				FY 1999			
	NUMBER	DAYS	RATE	AMOUNT	NUMBER	DAYS	RATE	AMOUNT	NUMBER	DAYS	RATE	AMOUNT	NUMBER	DAYS	RATE	AMOUNT
(1) LUMP SUM TERMINAL LEAVE PAYMENTS																
FLAG OFFICERS	42	60	\$16,128.66	\$677	44	60	\$16,562.08	\$730	47	60	\$16,897.02	\$794	47	60	\$17,394.17	\$818
CAPTAIN	455	54	10,236.51	4,658	412	54	10,526.14	4,337	661	54	10,758.89	7,112	648	54	11,063.46	7,169
COMMANDER	658	47	7,616.72	5,012	751	47	7,809.61	5,865	813	47	7,975.19	6,484	831	47	8,237.81	6,846
LIEUTENANT COMMANDER	1,140	33	4,918.16	5,607	1,096	33	5,025.74	5,508	522	33	5,157.89	2,692	804	33	5,315.05	4,273
LIEUTENANT	2,340	29	3,525.76	8,250	2,061	29	3,574.04	7,366	2,260	29	3,683.38	8,324	2,215	29	3,802.28	8,422
LIEUTENANT (JG)	239	26	2,831.41	677	293	26	2,919.08	855	351	26	2,995.06	1,051	351	26	3,083.71	1,082
ENSIGN	47	20	1,141.22	54	99	20	1,175.43	116	136	20	1,207.37	164	81	20	1,243.66	101
WARRANT OFFICER W-4	127	43	5,332.41	677	216	43	5,486.71	1,185	198	43	5,630.44	1,115	128	43	5,801.23	743
WARRANT OFFICER W-3	91	20	2,202.07	200	194	20	2,265.80	440	91	20	2,335.69	213	91	20	2,405.36	219
WARRANT OFFICER W-2	77	15	1,903.88	147	48	15	1,956.25	94	38	15	2,023.30	77	38	15	2,084.00	78
WARRANT OFFICER W-1	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0
TOTAL (1)	5,216		\$25,959		5,214		\$26,496		5,117		\$28,026		5,234		\$29,752	
(2) LUMP SUM PAYMENTS TO RESERVISTS	97		45,391.75	4,403	96		46,093.75	4,425	93		45,956.99	4,274	93		47,333.33	4,402
(3) SEVERANCE PAY, FAILURE OF PROMOTION	420		33,559.52	14,095	394		34,906.09	13,753	207		36,845.41	7,627	207		37,864.73	7,838
(4) SEVERANCE PAY, DISABILITY	45		46,933.33	2,112	66		48,328.17	3,190	66		49,704.99	3,281	66		51,171.80	3,377
(5) SEVERANCE PAY, NON-DISABILITY	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
INVOL-HALF PAY(5%)	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
INVOL-FULL PAY(10%)	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
(6) VOLUNTARY SEPARATION	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
SSB	4		0.00	0	21		0.00	0	0		0.00	0	0		0.00	0
VSI	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
VIS TRUST FUND *	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
(7) 15 YR RETIREMENT PROGRAM	576		60,869.00	35,061	372		59,744.00	22,225	0		0.00	0	0		0.00	0
TOTAL 1-K				\$81,630			\$70,089					\$43,208				\$45,369

\* VSI recipients on or after 31 December 1992 - Payments made from the Military Personnel Appropriation to the VSI Fund. Funding represents present value cost for recipients.

**MILITARY PERSONNEL, NAVY  
SEPARATION COSTS and TRANSITION BENEFITS**

OFFICERS	FY 1998			FY 1997			FY 1996		
	NUMBER	RATE	TOTAL	NUMBER	RATE	TOTAL	NUMBER	RATE	TOTAL
Special Separation Benefits (SSB)	0	0.00	0	0	0.00	0	0	0.00	0
Voluntary Separation Incentive (VSI) 1/	4	0.00	0	21	0.00	0	0	0.00	0
15 Year Early Retirement Authority	576	60,869.00	35,061	372	59,744.00	22,225	0	0.00	0
<b>Total Officer, MPN</b>	<b>580</b>		<b>35,061</b>	<b>393</b>		<b>\$22,225</b>	<b>0</b>		<b>0</b>

OFFICERS	FY 1999			FY 2000			FY 2001		
	NUMBER	RATE	TOTAL	NUMBER	RATE	TOTAL	NUMBER	RATE	TOTAL
Special Separation Benefits (SSB)	0	0.00	0	0	0	0	0	0.00	0
Voluntary Separation Incentive (VSI)	0	0.00	0	0	0.00	0	0	0.00	0
15 Year Early Retirement Authority	0	0.00	0	0	0.00	0	0	0.00	0
<b>Total Officer, MPN</b>	<b>0</b>		<b>\$0</b>	<b>0</b>		<b>\$0</b>	<b>0</b>		<b>\$0</b>

**1/ NUMBER OF TAKERS ONLY**

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$203,306  
-FY 1998 ESTIMATE \$200,956  
-FY 1997 ESTIMATE \$195,642  
-FY 1996 ESTIMATE \$206,370

PROJECT: 1-L SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED REPRESENT THE GOVERNMENT'S CONTRIBUTION (AS AN EMPLOYER) AS REQUIRED BY THE FEDERAL INSURANCE CONTRIBUTION ACT UNDER PROVISION OF (26 U.S.C. 3101, 3111), AND P.L. 98-21 "SOCIAL SECURITY AMENDMENT OF 1983." FUNDS REQUESTED FOR MILITARY SERVICE CREDITS REFLECT THE ADMINISTRATION'S DECISION TO HAVE DOD RATHER THAN HEALTH AND HUMAN SERVICES FUND MILITARY SERVICE SOCIAL SECURITY WAGE CREDITS FOR NON-WAGE INCOME EFFECTIVE 1 OCTOBER 1987.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SOCIAL SECURITY COSTS ARE BASED ON THE PERCENTAGE RATE SET BY LAW ON A MEMBER'S SALARY FOR A CALENDAR YEAR. P.L. 98-21, "SOCIAL SECURITY AMENDMENT OF 1983" DATED 20 APRIL 1983 ESTABLISHED THE TAX RATE WHILE THE MAXIMUM TAXABLE INCOME IS DETERMINED BY THE SOCIAL SECURITY ADMINISTRATION. THE OLD AGE, SURVIVOR AND DISABILITY INCOME (OASDI) RATE IS 6.2% AND THE HOSPITAL INSURANCE (HI) IS 1.45%. THERE IS NO WAGE CAP ON THE 1.45% MEDICAL CONTRIBUTION. THE GOVERNMENT'S CONTRIBUTION IS BASED ON THE PERCENTAGE RATE SET BY LAW ON MEMBER'S SALARY FOR A CALENDAR YEAR. TAXABLE INCOME CEILINGS FOR OASDI ARE AS FOLLOWS:

CALENDAR YEAR 1996 - 7.65% ON FIRST \$62,700  
CALENDAR YEAR 1997 - 7.65% ON FIRST \$65,400  
CALENDAR YEAR 1998 - 7.65% ON FIRST \$68,700  
CALENDAR YEAR 1999 - 7.65% ON FIRST \$71,400

FUNDING FOR FY 1996, FY 1997, FY 1998, AND FY 1999 INCLUDES EMPLOYER'S CONTRIBUTION TO SOCIAL SECURITY FOR WHICH MILITARY MEMBERS RECEIVE WAGE CREDIT BUT NO SOCIAL SECURITY TAX (I.E., QUARTERS AND SUBSISTENCE ALLOWANCES). DOD MAKES DIRECT PAYMENTS TO THE SOCIAL SECURITY TRUST FUNDS BASED ON HEALTH AND HUMAN SERVICES (HHS) ESTIMATES TO COVER THE COST OF THESE ADDITIONAL CREDITS.

DETAILS OF THE COMPUTATIONS ARE SHOWN BELOW:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX -												
EMPLOYER'S CONTRIBUTION	58,024	\$3,108.82	\$180,270	58,274	\$3,163.85	\$178,042	54,775	\$3,254.34	\$178,256	54,147	\$3,341.01	\$180,906
MILITARY SERVICE CREDITS			26,100			17,600			22,700			22,400
TOTAL 1-L			206,370			195,642			200,956			203,306
TOTAL OBLIGATIONS			4,420,471			4,407,965			4,327,856			4,384,908
LESS REIMBURSABLES			123,287			122,030			123,185			120,332
TOTAL DIRECT OBLIGATIONS			\$4,297,184			\$4,285,935			\$4,204,671			\$4,264,576

SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

FY 1997 DIRECT PROGRAM-----	AMOUNT
INCREASES:	-----
ENLISTMENT BONUS-----	8,461
-INCREASED NUMBER ENTITLED IN RESIDUAL PAYMENTS	9,316
-INCREASE IN NUMBER ENTITLED TO RECEIVE NEW PAYMENTS	145
CONUS COLA-----	100
-INCREASE IN PROGRAM DUE TO INFLATION	100
TOTAL INCREASES -----	8,561
DECREASES:	-----
BASIC PAY -----	-95,035
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	43,780
-FY 1998 PAY RAISE 2.8%	125,625
-DECREASE IN WORKYEARS	-243,270
-DECREASE IN PAYGRADE MIX	-21,170
RETIRED PAY ACCRUAL-----	-158,539
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	13,353
-FY 1998 PAY RAISE 2.8%	38,318
-REDUCTION IN NORMAL COST PERCENTAGE FROM 32.6% IN FY 1997 TO 30.5% IN FY 1998	-129,875
-DECREASE IN WORKYEARS	-74,049
-DECREASE IN PAYGRADE MIX	-6,286
INCENTIVE PAY-----	-3,350
-INCREASE IN NUMBER ENTITLED PARACHUTE JUMPING AND RATES	3
-DECREASE IN NUMBER ENTITLED SUBMARINE DUTY	-3,340
-DECREASE IN NUMBER ENTITLED: HI/ LO PRESSURE	-13
SPECIAL PAY-----	-121
-INCREASE IN NUMBER ENTITLED AND PAYMENT LEVELS IN LINGUIST PAY	111
-INCREASE IN NUMBER ENTITLED DIVING PAY	29
-DECREASE IN NUMBER ENTITLED IN HOSTILE FIRE PAY	-261
REENLISTMENT BONUS -----	-9,884
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	566
-FY 1998 PAY RAISE 2.8%	1,530
-DECREASE IN NEW PAYMENTS	-10,672
-DECREASE IN ANNIVERSARY PAYMENT LEVELS (\$+1,950) OFFSET BY NUMBER ENTITLED (\$-3,258)	-1,308
BASIC ALLOWANCE FOR QUARTERS -----	-17,189
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0% AND QOL INCREASE 1.6%	6,957
-FY 1998 PAY RAISE 2.8%	19,481
-INCREASE IN PAYGRADE MIX	627
-DECREASE IN NUMBER ENTITLED	-44,254



PAY AND ALLOWANCES OF ENLISTED PERSONNEL  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

DECREASES (CONTINUED):

VARIABLE HOUSING ALLOWANCE-----			
-ANNUALIZATION OF FY 1997 COST GROWTH 2.1%	1,695		-7,024
-FY 1998 COST GROWTH 2.1%	5,087		
-INCREASE IN PAYGRADE MIX	224		
- VHA LOCALITY FLOOR	2,760		
-DECREASE IN NUMBER ENTITLED	-16,790		
OVERSEAS STATION ALLOWANCE-----			-11,691
-COLA INCREASES DUE TO ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	1,191		
-COLA INCREASES DUE TO FY 1998 PAY RAISE 2.8%	3,629		
-TLA INCREASED RATE DUE TO INFLATION	449		
-COLA DECREASED IN NUMBER ENTITLED	-1,021		
-HOUSING DECREASED NUMBER ENTITLED	-512		
-CURRENCY FLUCTUATION	-15,427		
UNIFORM ALLOWANCES-----			-4,163
-INCREASE IN RATES AND UNIFORM CHANGES	3,266		
-DECREASE IN NUMBER ENTITLED	-5,429		
-DECREASE IN UP-FRONT PURCHASES	-2,000		
FAMILY SEPARATION ALLOWANCE-----			0
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	5		
-FY 1998 PAY RAISE 2.8%	15		
-DECREASE INNUMBER ENTITLED ONBOARD SHIP MORE THAN 30 DAYS	-20		
SEPARATION PAY-----			-38,234
-ANNUALIZATION OF FY 1997 PAYRAISE 3.0%	388		
-FY 1998 PAY RAISE 2.8%	651		
-INCREASE IN ENLISTED SEVERANCE PAY	343		
-DECREASED TERA PAYMENTS	-32,925		
-DECREASE IN LUMP-SUM PAYMENTS	-4,300		
-DECREASE IN DISABILITY SEVERANCE PAY	-2,391		
FICA-----			-19,268
-ANNUALIZATION OF FY 1997 PAY RAISE 3.0%	3,349		
-FY 1998 PAY RAISE 2.8%	9,612		
-DECREASE IN WORKYEARS	-18,562		
-DECREASE IN PAYGRADE MIX	-1,617		
-DECREASE IN SERVICE CREDITS	-12,050		
TOTAL DECREASES-----			-364,498
FY 1998 DIRECT PROGRAM-----			\$10,850,618
INCREASES:			
SPECIAL PAY-----			537
-INCREASE IN NUMBER ENTITLED AND PAYMENT LEVELS IN LINGUIST PAY	17		
-INCREASE IN NUMBER ENTITLED IN HOSTILE FIRE PAY	520		
REENLISTMENT BONUS-----			927
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	466		
-FY 1999 PAY RAISE 3.0%	1,515		
-INCREASE IN ANNIVERSARY PAYMENT LEVELS (\$+2,822) AND DECREASE NUMBER ENTITLED (\$-1,322)	1,500		
-DECREASE IN NEW PAYMENTS	-2,554		

1991 AND 1992 BUDGETS OF THE UNITED STATES GOVERNMENT  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

INCREASES (CONTINUED):

OVERSEAS STATION ALLOWANCE-----		4,264
-COLA INCREASES DUE TO ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	1,067	
-COLA INCREASES DUE TO FY 1999 PAY RAISE 3.0%	3,773	
-TLA INCREASED RATE DUE TO INFLATION	488	
-COLA DECREASED IN NUMBER ENTITLED	-715	
-HOUSING DECREASED NUMBER ENTITLED	-349	
CONUS COLA-----		100
-INCREASE IN PROGRAM DUE TO INFLATION	100	
TOTAL INCREASES -----		5,828
DECREASES:		
BASIC PAY -----		-76,679
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	39,396	
-FY 1999 PAY RAISE 3.0%	134,827	
-DECREASE IN WORKYEARS	-237,285	
-DECREASE IN PAYGRADE MIX	-13,617	
RETIRED PAY ACCRUAL-----		-41,201
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	11,898	
-FY 1999 PAY RAISE 3.0%	40,720	
-REDUCTION IN NORMAL COST PERCENTAGE FROM 30.5% IN FY 1998 TO 30.2% IN FY 1999	-18,243	
-DECREASE IN WORKYEARS	-71,489	
-DECREASE IN PAYGRADE MIX	-4,087	
INCENTIVE PAY-----		-1,299
-INCREASE IN NUMBER ENTITLED PARACHUTE JUMPING AND RATES	4	
-DECREASE IN NUMBER ENTITLED SUBMARINE DUTY	-1,290	
-DECREASE IN NUMBER ENTITLED: HI/ LO PRESSURE	-13	
ENLISTMENT BONUS-----		-796
-DECREASE IN RESIDUAL PAYMENTS	-796	
BASIC ALLOWANCE FOR QUARTERS -----		-27,545
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	6,697	
-FY 1999 PAY RAISE 3.0%	20,374	
-DECREASE IN PAYGRADE MIX	-355	
-DECREASE IN NUMBER ENTITLED	-54,261	
VARIABLE HOUSING ALLOWANCE-----		-13,190
-ANNUALIZATION OF FY 1998 COST GROWTH 2.1%	1,635	
-FY 1999 COST GROWTH 2.1%	4,906	
-DECREASE IN PAYGRADE MIX	-65	
-DECREASE IN NUMBER ENTITLED	-19,666	
UNIFORM ALLOWANCES -----		-1,138
-INCREASE IN RATES AND UNIFORM CHANGES	3,617	
-DECREASE IN NUMBER ENTITLED	-4,755	
FAMILY SEPARATION ALLOWANCE-----		0
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	5	
-FY 1999 PAY RAISE 3.0%	18	
-DECREASE IN NUMBER ENTITLED ONBOARD SHIP MORE THAN 30 DAYS	-23	

PAY AND ALLOWANCES OF ENLISTED PERSONNEL  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

DECREASES (CONTINUED):

SEPARATION PAY-----	-5,225
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	
-FY 1999 PAY RAISE 3.0%	340
-INCREASE IN ENLISTED SEVERANCE PAY	892
-DECREASE IN LUMP SUM PAYMENTS	372
-DECREASE IN DISABILITY SEVERANCE PAY	-6,007
	-822
FICA-----	-6,874
-ANNUALIZATION OF FY 1998 PAY RAISE 2.8%	
-FY 1999 PAY RAISE 3.0%	3,014
-DECREASE IN WORKYEARS	10,316
-DECREASE IN PAYGRADE MIX	-18,158
-DECREASE IN SERVICE CREDITS	-1,046
	-1,000
TOTAL DECREASES-----	-173,947
FY 1999 DIRECT PROGRAM-----	\$10,682,499

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-A BASIC PAY

-FY 1999	ESTIMATE	\$6,000,620
-FY 1998	ESTIMATE	\$6,080,976
-FY 1997	ESTIMATE	\$6,184,537
-FY 1996	ESTIMATE	\$6,330,325

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR BASIC COMPENSATION (37 U.S.C.) OF ENLISTED PERSONNEL ON ACTIVE DUTY, ACCORDING TO PAY GRADE AND LENGTH OF SERVICE INCREMENTS. THE ESTIMATE EXCLUDES THOSE ENLISTED MEMBERS OF THE RESERVE COMPONENT ON ACTIVE DUTY SERVING IN CONNECTION WITH THE ORGANIZING ADMINISTERING, RECRUITING, INSTRUCTING AND TRAINING OF THE RESERVE COMPONENTS (10 U.S.C. 672D AND 678).

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE FY 1998 ENLISTED PROGRAM IS BASED ON A BEGINNING STRENGTH OF 341,748 AND AN END STRENGTH OF 331,107 FOR 331,530 WORKYEARS. FY 1999 IS BASED ON AN END STRENGTH OF 325,880 AND 318,391 WORKYEARS. THE RATES ARE BASED ON FY 1996 ACTUAL EXPERIENCE, AND INCLUDE A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998, AND A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
PAY GRADE E-9	3,189	\$37,636.57	\$120,023	3,206	\$38,753.59	\$124,244	3,111	\$39,849.57	\$123,972	2,873	\$41,038.29	\$117,903
E-8	8,097	30,629.99	248,011	7,532	31,531.20	237,493	7,411	32,430.85	240,345	6,609	33,401.42	220,750
E-7	26,789	26,010.35	696,791	26,360	26,781.22	705,953	24,918	27,544.71	686,359	24,391	28,368.62	691,939
E-6	65,150	22,108.52	1,440,370	61,634	22,747.67	1,402,030	58,083	23,397.24	1,358,982	55,232	24,096.76	1,330,912
E-5	80,315	18,100.43	1,453,736	75,755	18,626.43	1,411,045	72,658	19,160.37	1,392,154	70,020	19,733.85	1,381,764
E-4	73,803	14,890.95	1,096,259	69,526	15,298.80	1,063,671	67,358	15,737.06	1,060,017	65,544	16,205.24	1,062,156
E-3	58,515	12,683.07	742,150	52,448	13,041.18	683,984	45,715	13,416.36	613,329	41,899	13,824.12	579,217
E-2	27,303	11,715.22	319,801	27,234	12,052.84	328,247	27,341	12,400.39	339,039	25,778	12,767.55	329,122
E-1	20,968	10,068.89	211,124	21,901	10,404.55	227,870	24,935	10,698.88	266,779	26,045	11,013.90	286,857
SUB-TOTAL 2-A	384,129		6,330,325	345,586		6,184,537	331,530		6,080,976	318,391		6,000,620

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-B RETIRED PAY ACCRUAL

-FY 1999	ESTIMATE	\$1,809,773
-FY 1998	ESTIMATE	\$1,852,258
-FY 1997	ESTIMATE	\$2,013,549
-FY 1996	ESTIMATE	\$2,080,044

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR THE DEPARTMENT OF DEFENSE'S CONTRIBUTION TO ITS MILITARY RETIREMENT FUND IN ACCORDANCE WITH 10 U.S.C. 1466.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE BUDGETARY ESTIMATES ARE DERIVED AS A PRODUCT OF:

- (A) NORMAL COST PERCENTAGE OF 32.9% IN FY 1996, 32.6% IN FY 1997, 30.5% IN FY 1998 AND 30.2% IN FY 1999.
- (B) THE TOTAL AMOUNT OF BASIC PAY EXPECTED TO BE PAID DURING THE FISCAL YEAR TO MEMBERS OF THE ARMED FORCES.

COST COMPUTATIONS ARE AS FOLLOWS:

	FY 1996	FY 1997	FY 1998	FY 1999
BASE PAY (1-A)	\$6,330,325	\$6,184,537	\$6,080,976	\$6,000,620
LESS FINES & FORFEITURES	8,000	8,000	8,000	8,000
BASE PAY SUBJECT TO RPA	\$6,322,325	\$6,176,537	\$6,072,976	\$5,992,620

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
RPA	364,129	\$5,712.38	\$2,080,044	345,596	\$5,826.31	\$2,013,549	331,530	\$5,587.00	\$1,852,258	318,391	\$5,684.12	\$1,809,773
TOTAL 2-B	364,129		\$2,080,044	345,596		\$2,013,549	331,530		\$1,852,258	318,391		\$1,809,773

(IN THOUSANDS OF DOLLARS)

-FY 1999	ESTIMATE	\$80,726
-FY 1998	ESTIMATE	\$82,025
-FY 1997	ESTIMATE	\$85,375
-FY 1996	ESTIMATE	\$87,906

PROJECT: 2-C INCENTIVE PAY FOR HAZARDOUS DUTY

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR PAY TO ENLISTED PERSONNEL FOR THE FOLLOWING TYPES OF DUTY (37 U.S.C. 301):

- (1) DUTY INVOLVING FREQUENT AND REGULAR PARTICIPATION IN AERIAL FLIGHT AS A CREW OR NON-CREW MEMBER.
- (2) DUTY INVOLVING FREQUENT AND REGULAR PERFORMANCE OF OPERATIONAL SUBMARINE DUTY, RESTRICTED TO MEMBERS WHO HOLD OR ARE IN TRAINING FOR SUBMARINE DUTY DESIGNATOR AND REMAIN IN THE SUBMARINE SERVICE ON A CAREER BASIS.
- (3) DUTY INVOLVING PARACHUTE JUMPING AS AN ESSENTIAL PART OF MILITARY DUTY.
- (4) DUTY INSIDE A HIGH OR LOW PRESSURE CHAMBER; DUTY INVOLVING ACCELERATION OR DECELERATION EXPERIMENTS, OR HUMAN TEST SUBJECT IN THERMAL STRESS EXPERIMENTS.
- (5) DUTY INVOLVING THE DEMOLITION OF EXPLOSIVES AS A PRIMARY DUTY, INCLUDING TRAINING.
- (6) DUTY INVOLVING PARTICIPATION IN FLIGHT OPERATIONS ON SHIPS FROM WHICH AIRCRAFT ARE LAUNCHED.
- (7) DUTY INVOLVING EXPOSURE TO HIGHLY TOXIC FUELS, PESTICIDES OR LABORATORY WORK THAT UTILIZES LIVE DANGEROUS VIRUSES OR BACTERIA.

PART II - JUSTIFICATION OF FUNDS REQUESTED

HAZARDOUS DUTY PAY IS COMPUTED ON THE BASIS OF THE AVERAGE NUMBER OF ENLISTED PERSONNEL WHO ARE ELIGIBLE FOR PAYMENT. AVERAGE RATES FOR SUBMARINE DUTY ARE THOSE PRESCRIBED BY LAW, BASED ON AVERAGE YEARS OF SERVICE BY PAY GRADE. RATES FOR FLYING DUTY CREW MEMBERS ARE PRESCRIBED BY PAY GRADE AND ALL OTHER HAZARDOUS PAYS ARE COMPUTED AT THE STATUTORY RATE OF \$1,320 PER WORKYEAR EXCEPT FOR THOSE MEMBERS PERFORMING HIGH ALTITUDE/LOW OPENING JUMPS ENTITLED TO \$1,980 PER YEAR.

SUBMARINE SERVICE ENTRY DATE (SSED) FOR NUCLEAR TRAINED PERSONNEL HAS BEEN ESTABLISHED AS THE DATE THE MEMBER STARTED NUCLEAR FIELD "A" SCHOOL. THIS ASSIGNMENT OCCURS UPON GRADUATION FROM NUCLEAR POWER TRAINING UNIT (ABOUT 14 MONTHS AFTER STARTING NUCLEAR FIELD "A" SCHOOL). THIS RESULTS IN AN INCREASE IN ENTITLEMENT (DISPLAYED AS STUDENT MEMBERS) TO CONSUBPAY FOR APPROXIMATELY 800 MEMBERS AT THE E-4 AND E-5 LEVEL. THE PAY ACCRUES WHILE ATTENDING NUCLEAR POWER OPERATOR PIPELINE SCHOOLS AND IS PAID UPON COMPLETION OF TRAINING.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
<b>(1) FLYING DUTY</b>												
<b>(A) CREW</b>												
PAY GRADE E-9	20	\$2,400.00	\$48	23	\$2,400.00	\$55	23	\$2,400.00	\$55	23	\$2,400.00	\$55
E-8	129	2,400.00	310	118	2,400.00	283	118	2,400.00	283	118	2,400.00	283
E-7	534	2,400.00	1,282	529	2,400.00	1,270	529	2,400.00	1,270	529	2,400.00	1,270
E-6	1,524	2,100.00	3,200	1,340	2,100.00	2,814	1,340	2,100.00	2,814	1,340	2,100.00	2,814
E-5	1,775	1,800.00	3,195	2,090	1,800.00	3,762	2,090	1,800.00	3,762	2,090	1,800.00	3,762
E-4	1,144	1,500.00	1,716	1,329	1,500.00	1,994	1,329	1,500.00	1,994	1,329	1,500.00	1,994
E-3	238	1,320.00	314	257	1,320.00	339	257	1,320.00	339	257	1,320.00	339
E-2	16	1,320.00	21	150	1,320.00	198	150	1,320.00	198	150	1,320.00	198
E-1	2	1,320.00	3	15	1,320.00	20	15	1,320.00	20	15	1,320.00	20
<b>SUB-TOTAL (1)(A)</b>												
	5,382		10,089	5,851		10,735	5,851		10,735	5,851		10,735
<b>(B) NON-CREW</b>												
	93	1,320.00	123	96	1,320.00	127	96	1,320.00	127	96	1,320.00	127
<b>TOTAL (1)</b>												
	5,475		10,212	5,947		10,862	5,947		10,862	5,947		10,862
<b>(2) SUBMARINE DUTY</b>												
PAY GRADE E-9	289	4,260.00	1,231	276	4,260.00	1,176	260	4,260.00	1,108	251	4,260.00	1,069
E-8	875	4,080.00	3,560	854	4,080.00	3,484	804	4,080.00	3,280	777	4,080.00	3,170
E-7	2,857	3,636.00	10,388	2,713	3,636.00	9,930	2,556	3,636.00	9,355	2,469	3,636.00	9,037
E-6	6,009	3,024.00	18,171	5,613	3,060.00	17,178	5,289	3,060.00	16,184	5,110	3,060.00	15,637
E-5	6,786	2,112.00	14,332	6,587	2,172.00	14,307	6,206	2,172.00	13,479	5,996	2,172.00	13,023
E-4	4,302	1,356.00	5,834	3,889	1,392.00	5,413	3,664	1,392.00	5,100	3,540	1,392.00	4,928
E-3	1,280	1,020.00	1,306	1,213	1,020.00	1,237	1,142	1,020.00	1,165	1,104	1,020.00	1,126
E-2	909	912.00	829	792	912.00	722	747	912.00	681	721	912.00	658
E-1	422	900.00	380	305	900.00	275	288	900.00	259	278	900.00	250
STUDENT	726		1,369	760		1,408	650		1,177	870		1,600
<b>TOTAL (2)</b>												
	24,455		\$57,400	23,002		\$55,128	21,606		\$51,788	21,116		\$50,498

## (IN THOUSANDS OF DOLLARS)

	FY 1966			FY 1967			FY 1968			FY 1969		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(3) PARACHUTE JUMPING	1,804	\$1,714.50	\$3,093	1,811	\$1,718.38	\$3,112	1,808	\$1,722.89	\$3,115	1,808	\$1,725.11	\$3,119
(4) DUTY INSIDE A HIGH OR LOW PRESSURE CHAMBER HUMAN ACCELERATION OR DECELERATION EXPERIMENTAL OBSERVER AND TEST SUBJECT THERMAL STRESS EXPERIMENT	349	1,320.00	461	395	1,320.00	521	385	1,320.00	508	375	1,320.00	495
(5) DEMOLITION DUTY	1,149	1,320.00	1,517	1,425	1,320.00	1,881	1,425	1,320.00	1,881	1,425	1,320.00	1,881
(6) FLIGHT DECK DUTY	11,524	1,320.00	15,212	10,500	1,320.00	13,860	10,500	1,320.00	13,860	10,500	1,320.00	13,860
(7) TOXIC MATERIAL PAY	8	1,320.00	11	8	1,320.00	11	8	1,320.00	11	8	1,320.00	11
TOTAL 2-C			\$87,906			\$85,375			\$82,025			\$80,726



(IN THOUSANDS OF DOLLARS)

PROJECT: 2-D SPECIAL PAY

-FY 1999	ESTIMATE	\$271,625
-FY 1998	ESTIMATE	\$271,088
-FY 1997	ESTIMATE	\$271,209
-FY 1996	ESTIMATE	\$272,936

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR SPECIAL PAY TO ENLISTED PERSONNEL AS FOLLOWS:

(1) SEA PAY (37 U.S.C. 305A):

(A) CAREER SEA PAY - A VARIABLE AMOUNT PAID MONTHLY TO ENLISTED PERSONNEL IN PAY GRADES E-4 THROUGH E-9 WHO ARE PERMANENTLY OR TEMPORARILY SERVING ON A SHIP OR WHILE SERVING AS A MEMBER OF THE OFF-CREW OF A TWO-CREW SUBMARINE.

(B) PREMIUM SEA PAY - \$100 PER MONTH PAID TO ENLISTED PERSONNEL WHO ARE ENTITLED TO CAREER SEA PAY; HAVE LESS THAN FIVE YEARS OF SEA DUTY AND HAVE SERVED MORE THAN 36 CONSECUTIVE MONTHS ON SEA DUTY.

(2) DUTY AT CERTAIN PLACES (37 U.S.C. 305) - A MONTHLY AMOUNT PAYABLE TO ENLISTED PERSONNEL ON DUTY AT CERTAIN PLACES, DESIGNATED BY THE SECRETARY OF DEFENSE, OUTSIDE THE CONTIGUOUS 48 STATES AND THE DISTRICT OF COLUMBIA.

(3) DIVING DUTY PAY (37 U.S.C. 304) - A MONTHLY AMOUNT WHICH VARIES DEPENDING ON SKILL/CLASS OF DIVER NOT TO EXCEED \$300, PAYABLE TO MEMBERS ASSIGNED TO DIVING DUTY WHO MAINTAIN THEIR PROFICIENCY AS DIVERS.

(4) NUCLEAR ACCESSION BONUS (37 U.S.C. 312B) - A BONUS OF \$4000/\$6000 PAID TO AN INDIVIDUAL UPON ACCEPTANCE FOR NAVAL NUCLEAR POWER TRAINING WHO AGREES TO PARTICIPATE IN A PROGRAM OF TRAINING FOR DUTY IN CONNECTION WITH THE SUPERVISION, OPERATION AND MAINTENANCE OF NAVAL NUCLEAR PROPULSION PLANTS.

(5) OVERSEAS EXTENSION PAY (37 U.S.C. 314) - A MONTHLY AMOUNT OF \$80 PAYABLE TO ENLISTED MEMBERS IN CERTAIN SPECIALTIES WHO HAVE COMPLETED A TOUR OF DUTY AT AN OVERSEAS LOCATION AND EXECUTE AN AGREEMENT TO EXTEND THAT TOUR FOR A PERIOD OF NOT LESS THAN ONE YEAR.

(6) IMMINENT DANGER PAY (37 U.S.C. 310) - A MONTHLY AMOUNT OF \$150 PAYABLE TO MEMBERS IN DESIGNATED HOSTILE AREAS OT TO MEMBERS WHO ARE TO HOSTILE FIRE OR EXPLOSION OF HOSTILE MINES, OR MEMBERS WHO ARE IN A FOREIGN COUNTRY IN WHICH MEMBER WAS SUBJECT TO THE THREAT OF PHYSICAL HARM OR IMMINENT DANGER ON THE BASIS OF CIVIL INSURRECTION, CIVIL WAR, TERRORISM, OR WARTIME CONDITIONS.

(7) FOREIGN LANGUAGE PROFICIENCY PAY (37 U.S.C. 316) - A MONTHLY PAYMENT NOT TO EXCEED \$100 MADE TO QUALIFIED ENLISTED PERSONNEL WHOSE MILITARY SPECIALTY REQUIRES PROFICIENCY IN A FOREIGN LANGUAGE.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SPECIAL PAY IS COMPUTED BY APPLYING STATUTORY RATES TO THE AVERAGE NUMBER OF PERSONNEL WHO ARE ELIGIBLE FOR PAYMENT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

	1986			FY 1987			FY 1988			FY 1989		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) SEA DUTY AND DUTY AT CERTAIN PLACES												
(A) SEA DUTY												
(1) CARRIER SEA PAY												
PAY GRADE E-9	786	\$4,791.42	\$3,766	858	\$4,757.32	\$4,082	858	\$4,757.32	\$4,082	858	\$4,757.32	\$4,082
E-8	2,200	4,372.92	9,620	2,152	4,392.35	9,452	2,152	4,392.35	9,452	2,152	4,392.35	9,452
E-7	8,202	4,070.77	33,388	8,439	4,024.09	33,959	8,439	4,024.09	33,959	8,439	4,024.09	33,959
E-6	21,477	3,342.44	71,785	21,430	3,271.18	70,101	21,430	3,271.18	70,101	21,430	3,271.18	70,101
E-5	26,698	2,293.13	61,217	27,670	2,191.88	60,649	27,670	2,191.88	60,649	27,670	2,191.88	60,649
E-4	32,489	1,279.62	41,574	32,854	1,231.23	40,451	32,854	1,231.23	40,451	32,854	1,231.23	40,451
SUB-TOTAL	91,850		221,351	93,403		218,694	93,403		218,694	93,403		218,694
(2) PREMIUM SEA PAY	12,845	1,200.00	15,534	12,200	1,200.00	14,640	12,200	1,200.00	14,640	12,200	1,200.00	14,640
TOTAL (1) (A)	104,795		236,885	105,603		233,334	105,603		233,334	105,603		233,334
(B) DUTY AT CERTAIN PLACES												
PAY GRADE E-9	66	270.00	18	102	270.00	28	102	270.00	28	102	270.00	28
E-8	174	270.00	47	265	270.00	72	265	270.00	72	265	270.00	72
E-7	761	270.00	205	878	270.00	237	878	270.00	237	878	270.00	237
E-6	2,032	240.00	488	2,290	240.00	550	2,290	240.00	550	2,290	240.00	550
E-5	2,492	192.00	478	3,161	192.00	607	3,161	192.00	607	3,161	192.00	607
E-4	2,112	156.00	329	2,554	156.00	398	2,554	156.00	398	2,554	156.00	398
E-3	1,732	108.00	187	1,671	108.00	180	1,671	108.00	180	1,671	108.00	180
E-2	874	96.00	84	732	96.00	70	732	96.00	70	732	96.00	70
E-1	253	96.00	24	192	96.00	18	192	96.00	18	192	96.00	18
TOTAL (1) (B)	10,496		1,860	11,845		2,160	11,845		2,160	11,845		2,160
TOTAL (1)			\$236,745			\$235,494			\$235,494			\$235,494

## (IN THOUSANDS OF DOLLARS)

	1986			FY 1987			FY 1988			FY 1989		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) DIVING DUTY PAY	4,365	\$2,074.00	\$9,053	4,450	\$2,044.94	\$9,100	4,475	\$2,040.00	\$9,129	4,475	\$2,040.00	\$9,129
(3) NUCLEAR ACCESSION	112	4,000.00	448	129	6,000.00	774	129	6,000.00	774	129	6,000.00	774
(4) OVERSEAS EXTENSION	711	960.00	683	1,120	960.00	1,075	1,120	960.00	1,075	1,120	960.00	1,075
(5) IMMINENT DANGER PAY	12,835	1,800.00	23,103	13,111	1,800.00	23,600	12,966	1,800.00	23,339	13,255	1,800.00	23,859
(6) FOREIGN LANGUAGE PROFICIENCY PAY	1,027	880.23	904	1,388	840.00	1,166	1,520	840.00	1,277	1,540	840.00	1,294
TOTAL 2-D			\$272,936			\$271,209			\$271,088			\$271,625

## PROJECT: 2-E SPECIAL DUTY ASSIGNMENT PAY

-FY 1999 ESTIMATE \$52,540  
 -FY 1998 ESTIMATE \$52,540  
 -FY 1997 ESTIMATE \$52,540  
 -FY 1996 ESTIMATE \$51,914

## PART I - PURPOSE AND SCOPE

SPECIAL DUTY ASSIGNMENT PAY (37 U.S.C. 307) - PROVIDE FOR PAYMENTS TO ENLISTED PERSONNEL TO OBTAIN A SUFFICIENT NUMBER OF QUALIFIED VOLUNTEERS TO SUSTAIN ADEQUATE MANNING LEVELS IN DESIGNATED SPECIAL DUTY ASSIGNMENTS.

## PART II - JUSTIFICATION OF FUNDS REQUESTED

THE ESTIMATE IS BASED ON THE AVERAGE NUMBER OF PERSONNEL PLANNED IN THE FOLLOWING SKILLS:

NUCLEAR PROPULSION PLANT SUPERVISOR	OPERATION DEEP FREEZE PERSONNEL	HARBOR DOCKING PILOTS	DIVERS
NUCLEAR PROPULSION OPERATOR	HELICOPTER MINE COUNTERMEASURES AIRCREWMAN	C-130 FLIGHT ENGINEERS	COXSWAIN
COMBATANT CRAFT BOAT SUPERVISOR	SUBMARINE ASSISTANT NAVIGATOR	P-3 FLIGHT ENGINEER	DCS COURIER
ACOUSTIC INTELLIGENCE SPECIALIST	INDEPENDENT DUTY HOSPITAL CORPSMEN	SHADPS PERSONNEL	RECRUITERS
ASW/AIR INTERCEPT CONTROLLERS	E-6A FLIGHT ENGINEER	JCS COMMUNICATIONS PERSONNEL	EOD TECHNICIAN
ON-SITE INSPECTION PERSONNEL	WHITE HOUSE COMMUNICATIONS PERSONNEL	SURFACE RESCUE SWIMMER	
LCAC OPERATOR (SUPERVISOR)	JOINT SPECIAL OPERATIONS PERSONNEL	NAVAL TEST PARACHUTISTS	
SDV PILOT/NAVIGATOR	CORRECTIONAL CUSTODY SPECIALIST	HELICOPTER RESCUE AIR CREWMAN	

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLES:

	FY 1996				FY 1997				FY 1998				FY 1999			
	NUMBER	RATE	AMOUNT		NUMBER	RATE	AMOUNT		NUMBER	RATE	AMOUNT		NUMBER	RATE	AMOUNT	
SPECIAL DUTY ASSIGNMENT PAY (SDAP)																
(\$275)	2,098	\$3,300.00	\$6,923		2,099	\$3,300.00	\$6,927		2,099	\$3,300.00	\$6,927		2,099	\$3,300.00	\$6,927	
(\$220)	326	2,640.00	861		326	2,640.00	861		326	2,640.00	861		326	2,640.00	861	
(\$175)	1,900	2,100.00	3,980		1,859	2,100.00	3,904		1,859	2,100.00	3,904		1,859	2,100.00	3,904	
(\$165)	2,466	1,980.00	4,942		1,399	1,980.00	2,770		1,399	1,980.00	2,770		1,399	1,980.00	2,770	
(\$150)	3,448	1,800.00	6,206		3,372	1,800.00	6,070		3,372	1,800.00	6,070		3,372	1,800.00	6,070	
(\$110)	2,160	1,320.00	2,851		2,162	1,320.00	2,854		2,162	1,320.00	2,854		2,162	1,320.00	2,854	
(\$100)	4,752	1,200.00	5,702		4,753	1,200.00	5,704		4,753	1,200.00	5,704		4,753	1,200.00	5,704	
(\$ 75)	1,375	900.00	1,238		1,376	900.00	1,238		1,376	900.00	1,238		1,376	900.00	1,238	
(\$ 55)	4,512	660.00	2,978		4,520	660.00	2,983		4,520	660.00	2,983		4,520	660.00	2,983	
(\$ 50)	0	600.00	0		0	600.00	0		0	600.00	0		0	600.00	0	
TOTAL SDAP	23,067		35,691		21,866		33,311		21,866		33,311		21,866		33,311	
RECRUITER SDAP																
(\$275)/(\$375)	3,298	3,900.00	12,862		4,273	4,500.00	19,229		4,273	4,500.00	19,229		4,273	4,500.00	19,229	
(\$220)	610	3,570.00	2,178		0	0.00	0		0	0.00	0		0	0.00	0	
(\$165)	365	3,240.00	1,183		0	0.00	0		0	0.00	0		0	0.00	0	
TOTAL RECRUITER SDAP	4,273		16,223		4,273		19,229		4,273		19,229		4,273		19,229	
TERMINATION PAY	0	200.00	0		0	200.00	0		0	200.00	0		0	200.00	0	
TOTAL 2-E	27,340		51,914		26,139		52,540		26,139		52,540		26,139		52,540	

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$133,153  
-FY 1998 ESTIMATE \$132,226  
-FY 1997 ESTIMATE \$142,110  
-FY 1996 ESTIMATE \$141,362

PROJECT: 2-F REENLISTMENT BONUS

PART I - PURPOSE AND SCOPE

REENLISTMENT BONUS (37 U.S.C. 306) - PROVIDES A BONUS TO ENLISTED PERSONNEL WHO REENLIST IN A SKILL CHARACTERIZED BY INADEQUATE MANNING, LOW RETENTION, AND HIGH REPLACEMENT COSTS. PAYABLE TO AN INDIVIDUAL WITH BETWEEN TWENTY-ONE MONTHS AND FOURTEEN YEARS OF ACTIVE SERVICE. PAYMENT IS BASED ON MONTHLY BASIC PAY TIMES A SPECIFIED AWARD LEVEL (NOT TO EXCEED 10) TIMES THE NUMBER OF ADDITIONAL YEARS OF OBLIGATED SERVICE (NOT TO EXCEED 6). OBLIGATED SERVICE IN EXCESS OF SIXTEEN YEARS IS NOT USED IN THE COMPUTATION. THE MAXIMUM PAYMENT IS \$45,000 (NO MORE THAN TEN PERCENT OF THE BONUSES CAN EXCEED \$20,000).

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE RATES INCLUDE A 2.4% PAY RAISE EFFECTIVE 01 JANUARY 1996, 3.0% EFFECTIVE 01 JANUARY 1997, 2.8% EFFECTIVE 01 JANUARY 1998, AND 3.0% EFFECTIVE 01 JANUARY 1999.

TEN MOST UNDERMANNED CRITICAL SKILLS

RADIOMAN (RM/SH)  
FIRE CONTROLMAN (AECIS WEAPONS SYSTEM) (FC AECIS)  
AVIATION ELECTRONIC TECHNICIAN (AT)  
AVIATION ELECTRICIAN'S MATE (AE)  
DATA SYSTEMS TECHNICIAN (DS)  
ELECTRONICS TECHNICIAN, SURFACE WARFARE (ETSW)  
CRYPTOLOGIC TECHNICIAN (COLLECTION) (CTR)  
SONAR TECHNICIAN, SURFACE (STC)  
CRYPTOLOGIC TECHNICIAN (INTERPRETIVE) (CTI)  
ELECTRONIC WARFARE TECHNICIAN (EW)

TEN MOST OVERMANNED CRITICAL SKILLS

MACHINIST'S MATE (SURFACE WARFARE) (MMSW)  
BOATSWAIN'S MATE (BM)  
MESS MANAGEMENT SPECIALIST (MS)  
YEOMAN (YN)  
HULL TECHNICIAN (HT)  
PERSONNELMAN (PN)  
ELECTRICIAN'S MATE (SURFACE WARFARE) (EMSW)  
ENGINEER (AUXILIARIES AND MAIN PROPULSION) (EN-AUX+MP)  
HOSPITAL CORPSMAN (HM)  
SHIP'S SERVICEMAN (SH)

SELECTIVE	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
INITIAL PAYMENTS	10,243	\$6,534.61	\$66,934	11,100	\$6,736.97	\$74,780	9,559	\$6,925.83	\$66,204	9,201	\$7,133.03	\$65,631
ANNIVERSARY PAYMENTS	50,216	1,482.16	74,428	43,672	1,541.72	67,330	41,618	1,586.38	66,022	40,819	1,654.18	67,522
TOTAL 2-F	60,459		\$141,362	54,772		\$142,110	51,177		\$132,226	50,020		\$133,153

REENLISTMENT BONUS  
MILITARY PERSONNEL, NAVY  
(IN THOUSANDS OF DOLLARS)

	FY 1996		FY 1997		FY 1998		FY 1999		FY 2000	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
PRIOR OBLIGATIONS	48,085	70,805	31,560	47,247	19,294	28,640	10,707	15,322	5,065	6,509
ACCELERATED PAYMENTS	2,131	3,623	2,131	3,623	2,131	3,623	2,131	3,623	2,131	3,623
FY 1996										
NEW ANNIVERSARY ADV/REN	10,243	66,934	9,981	16,460	9,652	15,883	8,475	14,523	5,642	9,618
FY 1997										
NEW ANNIVERSARY ADV/REN			11,100	74,780	10,541	17,876	10,505	18,074	9,225	16,323
FY 1998										
NEW ANNIVERSARY ADV/REN					9,559	66,204	9,001	15,980	8,972	15,895
FY 1999										
NEW ANNIVERSARY ADV/REN							9,201	65,631	8,644	15,834
TOTAL										
INITIAL PAYMENTS	10,243	66,934	11,100	74,780	9,559	66,204	9,201	65,631	9,520	69,945
ANNIVERSARY PAYMENTS	50,216	74,428	43,672	67,330	41,618	66,022	40,819	67,522	39,679	67,802
TOTAL SRB	60,459	141,362	54,772	142,110	51,177	132,226	50,020	133,153	49,199	137,747

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-G ENLISTMENT BONUS

-FY 1999 ESTIMATE 18,302  
-FY 1998 ESTIMATE 19,098  
-FY 1997 ESTIMATE 10,637  
-FY 1996 ESTIMATE 7,544

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR AN ENLISTMENT BONUS (37 U.S.C. 308A). IT IS PAYABLE TO A MEMBER WHO ENLISTS FOR A MINIMUM OF 5 YEARS OR EXTENDS ACTIVE DUTY OBLIGATION AT LEAST ONE YEAR BEYOND THE NORMAL ENLISTMENT IN A DESIGNATED SKILL. ELIGIBLE SKILLS ARE CHARACTERIZED BY AN ENLISTMENT RATE LESS THAN THAT REQUIRED TO ENSURE ADEQUATE FIRST TERM MANNING. THE ENLISTMENT BONUS PROGRAM IS UNIQUE IN THAT THE BONUS IS CONTRACTUALLY OBLIGATED AT THE TIME OF ENLISTMENT INTO THE DELAYED ENTRY PROGRAM (DEP) BUT IS NOT PAID UNTIL THE SUCCESSFUL COMPLETION OF ALL TRAINING LEADING TO DESIGNATION IN THE SKILL. IN THE CASE OF NUCLEAR FIELD CANDIDATES, PAYMENT OF THE BONUS OCCURS 24 TO 36 MONTHS AFTER ENLISTMENT IN THE DEP.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THIS BONUS IS PAYABLE UPON COMPLETION OF TRAINING. MOST TRAINING PIPELINES FOR ENLISTMENT BONUS RECIPIENTS ARE APPROXIMATELY TWO YEARS. EXPANDED ENLISTMENT BONUS PROGRAM IN FY 98/FY 99 REQUIRED TO COVER MORE CRITICALLY UNDERMANNED OR DIFFICULT TO RECRUIT RATINGS IN AN AUSTERE RECRUITING ENVIRONMENT. RECRUITING FACED WITH: 1) SMALLEST 17-21 YEAR OLD MARKET EVER, 2) STIFFER CIVILIAN COMPETITION AS ECONOMY CONTINUES TO IMPROVE, 3) PUBLIC PERCEPTION THAT NAVY NOT HIRING, ETC.

COMPUTATION OF FUNDING REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
NEW PAYMENTS												
\$1,000	401	\$1,000.00	\$401	393	\$1,000.00	\$393	359	\$1,000.00	\$359	359	\$1,000.00	\$359
\$1,500	120	1,500.00	180	110	1,500.00	165	120	1,500.00	180	120	1,500.00	180
\$2,000	142	2,000.00	284	138	2,000.00	276	142	2,000.00	284	142	2,000.00	284
\$2,500	316	2,500.00	790	312	2,500.00	780	372	2,500.00	930	372	2,500.00	930
\$6,000	6	6,000.00	36	6	6,000.00	36	7	6,000.00	42	7	6,000.00	42
SUB-TOTAL	985		1,691	959		1,650	1,000		1,795	1,000		1,795
RESIDUAL PAYMENTS												
\$500	46	500.00	23	42	500.00	21	150	500.00	75	94	500.00	47
\$1,000	9	1,000.00	9	5	1,000.00	5	21	1,000.00	21	15	1,000.00	15
\$1,500	755	1,500.00	1,133	584	1,500.00	876	870	1,500.00	1,305	850	1,500.00	1,275
\$2,000	0	2,000.00	0	48	2,000.00	96	360	2,000.00	720	320	2,000.00	640
\$2,500	0	2,500.00	0	4	2,500.00	10	72	2,500.00	180	70	2,500.00	175
\$3,000	496	3,000.00	1,488	578	3,000.00	1,734	910	3,000.00	2,730	880	3,000.00	2,640
\$3,500	286	3,500.00	1,036	286	3,500.00	1,036	500	3,500.00	1,750	420	3,500.00	1,470
\$4,000	0	4,000.00	0	0	4,000.00	0	58	4,000.00	232	45	4,000.00	180
\$4,500	100	4,500.00	450	602	4,500.00	2,709	800	4,500.00	3,600	790	4,500.00	3,555
\$5,000	92	5,000.00	460	92	5,000.00	460	330	5,000.00	1,650	312	5,000.00	1,560
\$6,000	209	6,000.00	1,254	340	6,000.00	2,040	840	6,000.00	5,040	825	6,000.00	4,950
SUB-TOTAL	2,003		5,853	2,591		8,987	4,911		17,303	4,621		16,507
TOTAL 2-G			\$7,544			\$10,637			\$19,098			\$18,302

EMPLOYMENT BONUS  
MILITARY PERSONNEL, NAVY  
(IN THOUSANDS OF DOLLARS)

	FY 1996		FY 1997		FY 1998		FY 1999		FY 2000	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
PRIOR OBLIGATIONS	2,147	6,210	1,856	7,993						
FY 1996										
INITIAL AND RESIDUAL PAYMENTS	835	1,334								
INSTALLMENTS			735	994	3,512	15,355				
FY 1997										
INITIAL AND RESIDUAL PAYMENTS			959	1,650	1,399	1,948	3,511	15,355		
INSTALLMENTS										
FY 1998										
INITIAL AND RESIDUAL PAYMENTS					1,000	1,795	1,110	1,152	2,103	9,061
INSTALLMENTS										
FY 1999										
INITIAL AND RESIDUAL PAYMENTS							1,000	1,795	832	1,127
INSTALLMENTS										
TOTAL										
INITIAL PAYMENTS	835	1,334	959	1,650	1,000	1,795	1,000	1,795	971	1,665
RESIDUAL PAYMENTS	2,147	6,210	2,591	8,987	4,911	17,303	4,621	16,507	2,935	10,188
INSTALLMENTS	0	0	0	0	0	0	0	0	0	0
TOTAL EB	2,982	7,544	3,550	10,637	5,911	19,098	5,621	18,302	3,906	11,853



(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$963,744  
-FY 1998 ESTIMATE \$992,017  
-FY 1997 ESTIMATE \$1,006,858  
-FY 1996 ESTIMATE \$1,019,309

PROJECT: 2-H BASIC ALLOWANCE FOR QUARTERS

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR BASIC ALLOWANCE FOR QUARTERS (37 U.S.C. 403), (37 U.S.C. 1009), AND (EXECUTIVE ORDER NO. 11157, AS AMENDED), TO MILITARY MEMBERS WITH OR WITHOUT DEPENDENTS, TO INCLUDE PARTIAL PAYMENT TO BACHELORS IN GOVERNMENT QUARTERS, ON SEA DUTY OR ON FIELD DUTY; AND TO MILITARY MEMBERS OCCUPYING INADEQUATE FAMILY HOUSING UNDER THE PROVISIONS OF SECTION 2830 OF THE FY 1983 MILITARY CONSTRUCTION CODIFICATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

BASIC ALLOWANCE FOR QUARTERS IS COMPUTED BY MULTIPLYING THE NUMBER OF ELIGIBLE ENLISTED PERSONNEL BY THE STATUTORY RATE FOR EACH PAY GRADE. THE NUMBER OF ELIGIBLE ENLISTED PERSONNEL IS CALCULATED BY DIVIDING THE ACTUAL NUMBER BY PAY GRADE ENTITLED TO BASIC ALLOWANCE FOR QUARTERS BY THE NUMBER ENTITLED TO BASIC PAY BY PAY GRADE TO DETERMINE PERCENT ENTITLED, WHICH IS THEN APPLIED TO THE FY 1996 THROUGH FY 1999 NUMBERS BY PAY GRADE ENTITLED TO BASIC PAY. THIS CALCULATION IS ADJUSTED FOR PLANNED CHANGES IN THE NUMBER LIVING IN GOVERNMENT FAMILY HOUSING. THE RATES REFLECT A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, A 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998, AND A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1999. AS PART OF THE QUALITY OF LIFE PROPOSAL, BAQ RATES INCREASED FOR WITH AND WITHOUT DEPENDENTS TO 5.2% IN FY 1996 (1.8% ABOVE THE PAY RAISE AMOUNT) AND 4.6% IN FY 1997 (1.6% ABOVE THE PAY RAISE AMOUNT).

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(1) WITH DEPENDENTS	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
PAYGRADE E-9	2,602	\$7,471.93	\$19,442	2,591	\$7,828.97	\$20,285	2,456	\$8,078.77	\$19,841	2,237	\$8,316.70	\$18,604
E-8	6,241	6,889.30	42,998	5,662	7,211.38	40,831	5,490	7,445.26	40,874	4,761	7,665.27	36,494
E-7	19,136	6,394.56	122,379	18,921	6,706.05	124,873	17,138	6,922.60	118,640	16,660	7,127.09	118,737
E-6	42,554	5,912.50	251,601	39,204	6,190.03	242,674	36,312	6,389.97	232,033	33,876	6,578.62	222,857
E-5	43,658	5,314.33	232,013	40,068	5,566.47	223,037	37,783	5,747.56	217,160	35,784	5,917.54	211,753
E-4	27,716	4,621.58	128,092	25,438	4,844.24	123,228	24,425	5,041.49	122,161	23,484	5,148.09	120,898
E-3	13,445	4,302.12	57,842	11,692	4,499.02	52,603	9,502	4,647.59	44,161	8,312	4,788.39	39,801
E-2	3,445	4,093.37	14,102	3,830	4,285.42	16,413	3,716	4,427.41	16,452	3,438	4,556.28	15,664
E-1	1,605	4,099.13	6,579	2,100	4,293.45	9,016	2,368	4,428.33	10,486	2,500	4,555.91	11,390
TOTAL (1)	160,404		\$875,046	149,206		\$852,960	139,190		\$821,808	131,052		\$796,198

## (IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) WITHOUT DEPENDENTS												
PAYGRADE E-9	204	\$5,675.73	\$1,156	204	\$5,937.41	\$1,211	215	\$6,127.23	\$1,317	198	\$6,307.76	\$1,249
E-8	623	5,206.81	3,244	581	5,455.66	3,170	573	5,632.52	3,227	511	5,798.96	2,963
E-7	2,402	4,442.69	10,671	2,359	4,657.56	10,987	2,195	4,808.03	10,554	2,149	4,950.03	10,638
E-6	6,274	4,027.81	25,270	7,445	4,212.88	31,365	6,598	4,349.02	28,695	6,274	4,477.40	28,091
E-5	10,253	3,711.43	38,053	11,303	3,886.77	43,932	16,014	4,012.99	64,264	15,432	4,131.59	63,759
E-4	9,611	3,228.66	31,031	8,934	3,384.40	30,236	9,046	3,494.15	31,608	8,803	3,596.78	31,662
E-3	6,329	3,172.37	20,078	5,680	3,319.46	18,855	5,234	3,428.47	17,945	4,797	3,531.38	16,940
E-2	1,140	2,568.18	2,928	1,149	2,688.58	3,101	1,042	2,787.05	2,904	982	2,868.52	2,817
E-1	103	2,286.81	236	114	2,399.58	274	95	2,476.11	235	99	2,548.06	252
TOTAL (2)	36,939		132,669	37,769		143,131	41,012		160,749	39,245		158,371
(3) PARTIAL ALLOWANCE - BACHELOR												
PAYGRADE E-9	26	223.20	6	27	223.20	6	20	223.20	4	19	223.20	4
E-8	57	183.60	10	53	183.60	10	56	183.60	10	50	183.60	9
E-7	349	144.00	50	343	144.00	49	314	144.00	45	307	144.00	44
E-6	2,883	118.80	343	1,079	118.80	128	1,731	118.80	206	1,646	118.80	196
E-5	9,688	104.40	1,011	7,500	104.40	783	1,606	104.40	168	1,547	104.40	162
E-4	26,053	97.20	2,532	24,564	97.20	2,388	23,454	97.20	2,280	22,822	97.20	2,218
E-3	34,040	93.60	3,187	30,383	93.60	2,844	25,802	93.60	2,415	23,648	93.60	2,213
E-2	20,418	88.40	1,764	20,270	88.40	1,751	21,074	88.40	1,821	19,870	88.40	1,717
E-1	17,520	82.80	1,451	18,244	82.80	1,511	21,090	82.80	1,746	22,029	82.80	1,824
TOTAL (3)	111,034		10,354	102,463		9,470	95,147		8,695	91,938		8,387
(4) SUBSTANDARD FAMILY HOUSING												
PAYGRADE E-9	1	1,910.83	2	1	2,001.49	2	1	2,066.23	2	1	2,127.21	2
E-8	1	1,775.70	2	1	1,859.85	2	1	1,920.11	2	1	1,976.78	2
E-7	7	1,625.83	11	6	1,702.98	10	7	1,758.05	12	7	1,809.93	13
E-6	75	1,531.23	115	75	1,603.87	120	33	1,655.76	55	33	1,704.62	56
E-5	186	1,391.63	259	186	1,457.65	271	111	1,504.81	167	111	1,549.21	172
E-4	334	1,215.50	408	334	1,276.15	426	154	1,317.43	203	154	1,356.31	209
E-3	316	1,080.39	341	316	1,131.65	358	205	1,168.26	239	205	1,202.74	247
E-2	84	1,018.90	86	84	1,067.24	90	63	1,101.77	69	63	1,134.28	71
E-1	17	1,036.92	18	17	1,086.11	18	14	1,121.25	16	14	1,154.34	16
TOTAL (4)	1,021		1,240	1,020		1,297	589		765	589		788
TOTAL 2-H			\$1,019,309			\$1,006,858			\$992,017			\$963,744

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-I VARIABLE HOUSING ALLOWANCE

-FY 1999	ESTIMATE	\$353,113
-FY 1998	ESTIMATE	\$366,604
-FY 1997	ESTIMATE	\$372,957
-FY 1996	ESTIMATE	\$386,054

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE PAY FOR ENLISTED ON ACTIVE DUTY, OR THEIR DEPENDENTS, BASED ON PAY GRADE AND DUTY ASSIGNMENT IN HIGH COST HOUSING AREAS IN THE CONTINENTAL UNITED STATES, ALASKA AND HAWAII (37 U.S.C. 403A).

PART II - JUSTIFICATION OF FUNDS REQUESTED

VARIABLE HOUSING ALLOWANCE IS COMPUTED BY MULTIPLYING THE NUMBER ELIGIBLE BY THE PERCENTAGE EXPERIENCED DURING FY 1996. THE RATES ARE BASED ON ACTUAL EXPERIENCE WITH AN INCREASE FOR COST GROWTH OF 2.1% IN FY 1997, 2.1% IN FY 1998, AND 2.1% IN 1996. WORKYEARS ARE DIRECTLY RELATED TO BASIC ALLOWANCE FOR QUARTERS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

VARIABLE HOUSING	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
PAYGRADE E-8	2,592	\$3,165.29	\$8,204	2,619	\$3,255.55	\$8,526	2,515	\$3,342.00	\$8,405	2,294	\$3,411.62	\$7,826
E-8	6,327	2,955.77	18,701	5,815	3,090.79	17,973	5,656	3,177.13	17,970	4,915	3,242.40	15,936
E-7	19,646	2,830.84	55,615	19,214	2,922.97	56,162	17,769	3,002.98	53,360	17,287	3,065.61	52,995
E-6	43,750	2,487.79	108,841	41,778	2,535.68	105,936	38,398	2,609.60	100,203	35,913	2,662.77	95,628
E-5	47,019	2,149.30	101,058	44,575	2,186.46	97,461	46,648	2,208.49	103,022	44,398	2,253.01	100,029
E-4	31,545	1,866.27	58,871	28,958	1,887.02	54,644	28,214	1,933.24	54,544	27,210	1,972.25	53,665
E-3	16,532	1,630.83	26,961	14,335	1,673.03	23,983	12,088	1,708.00	20,646	10,730	1,739.83	18,668
E-2	3,836	1,593.27	5,793	3,683	1,636.61	6,028	3,456	1,690.37	5,842	3,201	1,722.97	5,515
E-1	1,246	1,612.85	2,010	1,346	1,667.43	2,244	1,518	1,720.64	2,612	1,623	1,756.70	2,851
TOTAL 2-I	172,293		\$386,054	162,323		\$372,957	156,262		\$366,604	147,571		\$353,113

## (IN THOUSANDS OF DOLLARS)

	FY 1986			FY 1987			FY 1988			FY 1989		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) WITHOUT DEPENDENTS												
PAYGRADE E-9	204	\$5,675.73	\$1,158	204	\$5,937.41	\$1,211	215	\$6,127.23	\$1,317	198	\$6,307.76	\$1,249
E-8	623	5,206.81	3,244	581	5,455.66	3,170	573	5,632.52	3,227	511	5,798.96	2,963
E-7	2,402	4,442.69	10,671	2,359	4,637.56	10,887	2,195	4,808.03	10,554	2,149	4,950.03	10,638
E-6	6,274	4,027.81	25,270	7,445	4,212.88	31,365	6,598	4,349.02	28,695	6,274	4,477.40	28,091
E-5	10,253	3,711.43	38,053	11,303	3,886.77	43,832	16,014	4,012.99	64,264	15,432	4,131.59	63,759
E-4	9,611	3,228.66	31,031	8,934	3,384.40	30,236	9,046	3,494.15	31,608	8,803	3,596.78	31,662
E-3	6,329	3,172.37	20,078	5,680	3,319.46	18,855	5,234	3,428.47	17,945	4,797	3,531.38	16,940
E-2	1,140	2,568.18	2,928	1,149	2,698.56	3,101	1,042	2,787.05	2,904	982	2,868.52	2,817
E-1	103	2,286.81	236	114	2,399.58	274	95	2,476.11	235	99	2,548.06	252
TOTAL (2)	36,939		132,669	37,769		143,131	41,012		160,749	39,245		158,371
(3) PARTIAL ALLOWANCE - BACHELOR												
PAYGRADE E-9	26	223.20	6	27	223.20	6	20	223.20	4	19	223.20	4
E-8	57	183.60	10	53	183.60	10	56	183.60	10	50	183.60	9
E-7	349	144.00	50	343	144.00	49	314	144.00	45	307	144.00	44
E-6	2,883	118.80	343	1,079	118.80	128	1,731	118.80	206	1,646	118.80	196
E-5	9,688	104.40	1,011	7,500	104.40	783	1,606	104.40	168	1,547	104.40	162
E-4	26,053	97.20	2,532	24,564	97.20	2,388	23,454	97.20	2,280	22,822	97.20	2,218
E-3	34,040	93.60	3,187	30,383	93.60	2,844	25,802	93.60	2,415	23,648	93.60	2,213
E-2	20,418	86.40	1,764	20,270	86.40	1,751	21,074	86.40	1,821	19,870	86.40	1,717
E-1	17,520	82.80	1,451	18,244	82.80	1,511	21,090	82.80	1,746	22,029	82.80	1,824
TOTAL (3)	111,034		10,354	102,463		9,470	95,147		8,695	91,938		8,387
(4) SUBSTANDARD FAMILY HOUSING												
PAYGRADE E-9	1	1,910.83	2	1	2,001.49	2	1	2,066.23	2	1	2,127.21	2
E-8	1	1,775.70	2	1	1,859.85	2	1	1,920.11	2	1	1,976.78	2
E-7	7	1,625.83	11	6	1,702.86	10	7	1,758.05	12	7	1,809.93	13
E-6	75	1,531.23	115	75	1,603.87	120	33	1,655.78	55	33	1,704.62	56
E-5	186	1,391.63	259	186	1,457.65	271	111	1,504.81	167	111	1,549.21	172
E-4	334	1,215.50	406	334	1,276.15	426	154	1,317.43	203	154	1,356.31	209
E-3	316	1,080.39	341	316	1,131.65	358	205	1,168.26	239	205	1,202.74	247
E-2	84	1,018.90	86	84	1,067.24	90	63	1,101.77	69	63	1,134.28	71
E-1	17	1,036.92	18	17	1,086.11	18	14	1,121.25	16	14	1,154.34	16
TOTAL (4)	1,021		1,240	1,020		1,297	589		765	589		788
TOTAL 2-H			\$1,019,309			\$1,006,858			\$992,017			\$983,744

(IN THOUSANDS OF DOLLARS)

-FY 1999 ESTIMATE \$2,700  
-FY 1998 ESTIMATE \$2,600  
-FY 1997 ESTIMATE \$2,500  
-FY 1996 ESTIMATE \$2,000

PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA)

PART I - PURPOSE AND SCOPE

THE FUNDS REQUESTED WILL PROVIDE FOR PAYMENT OF A COST OF LIVING ALLOWANCE (COLA) TO SAILORS WHO ARE ASSIGNED TO HIGH COST AREAS IN THE CONTINUOUS UNITED STATES (CONUS). HIGH COST AREAS ARE GROUPED AS MILITARY HOUSING AREAS (MHA) WHERE THE COST OF GOODS AND SERVICES EXCEED 109 PERCENT OF THE NATIONAL COST OF LIVING AVERAGE. THE AMOUNT OF COLA PAYABLE IS THE PRODUCT OF SPENDABLE INCOME (BASED ON REGULAR MILITARY COMPENSATION) TIMES THE DIFFERENCE BETWEEN THE COLA INDEX FOR THE INDIVIDUAL'S HIGH COST AREA AND THE THRESHOLD PERCENTAGE. THIS ALLOWANCE WAS ENACTED BY THE FY 1995 DOD AUTHORIZATION ACT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONUS COLA PAYMENTS ARE DETERMINED BY MULTIPLYING THE PROJECTED NUMBER OF PERSONNEL ELIGIBLE BY AN ESTIMATED RATE.

DETAILED COST COMPUTATIONS ARE PROVIDED BY THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) COST OF LIVING	8,532	234.41	\$2,000	10,416	240.01	\$2,500	10,537	246.75	\$2,600	10,624	254.14	\$2,700
TOTAL			\$2,000			\$2,500			\$2,600			\$2,700

## PROJECT: 2-J STATION ALLOWANCES, OVERSEAS

-FY 1999	ESTIMATE	\$262,423
-FY 1998	ESTIMATE	\$258,159
-FY 1997	ESTIMATE	\$269,850
-FY 1996	ESTIMATE	\$281,940

## PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE FOR PAYMENTS OF A PER DIEM ALLOWANCE (37 U.S.C. 405) - FOR COST OF LIVING, HOUSING AND TEMPORARY LODGING FOR MEMBERS ASSIGNED TO CERTAIN PERMANENT DUTY STATIONS OUTSIDE THE CONTINENTAL UNITED STATES AS PRESCRIBED IN THE JOINT FEDERAL TRAVEL REGULATIONS.

## PART II - JUSTIFICATION OF FUNDS REQUESTED

THE NUMBERS FOR COST OF LIVING ALLOWANCE (COLA) AND HOUSING ALLOWANCE ARE BASED ON ACTUAL EXPERIENCE ADJUSTED TO REFLECT CHANGES IN OVERSEAS STRENGTH. THESE RATES REFLECT LATEST EXPERIENCE FOR FOREIGN CURRENCY RATES. THE RATES FOR COLA REFLECT A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, 2.8% EFFECTIVE 01 JANUARY 1998, AND 3.0% EFFECTIVE 01 JANUARY 1999. BEGINNING IN FY 1997, MEN RE-JOINS THE FOREIGN CURRENCY FLUCTUATIONS, DEFENSE ACCOUNT.

## COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) COST OF LIVING	52,919	\$3,223.15	\$170,566	51,674	\$3,141.55	\$162,336	51,349	\$3,031.98	\$155,689	51,115	\$3,126.56	\$159,814
(2) HOUSING	10,104	8,269.89	83,559	9,931	8,251.60	81,947	9,869	7,746.88	76,454	9,824	7,746.88	76,105
(3) TEMPORARY LODGING			27,815			25,567			26,016			26,504
TOTAL 2-J			\$281,940			\$269,850			\$258,159			\$262,423

## (IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(B) CIVILIAN												
WINTER AND SUMMER	444\$1,238.70		\$550	445\$1,277.10		\$568	445\$1,277.10		\$568	445\$1,277.10		\$568
WINTER OR SUMMER	234	800.12	187	231	824.92	191	231	824.92	191	231	824.92	191
TOTAL (1)(B)	678		737	676		759	676		759	676		759
TOTAL (1)			48,448			58,612			59,202			60,015
2) REPLACEMENT ALLOWANCES												
(A) BASIC												
MALE	84,054	205.20	17,248	83,830	226.80	19,013	80,475	230.40	18,541	76,558	237.60	18,190
FEMALE	12,034	259.20	3,119	13,180	273.60	3,606	13,180	280.80	3,701	13,180	288.00	3,796
TOTAL (2)(A)	96,088		20,367	97,010		22,619	93,655		22,242	89,738		21,986
(B) STANDARD												
MALE	197,994	291.60	57,735	185,154	324.00	59,990	173,874	331.20	57,587	165,564	338.40	56,027
FEMALE	25,178	370.80	9,336	25,244	392.40	9,906	25,244	403.20	10,178	25,244	410.40	10,360
TOTAL (2)(B)	223,172		67,071	210,398		69,896	199,118		67,765	190,808		66,387
(C) SPECIAL												
MALE	26,751	398.00	10,593	23,013	417.60	9,610	21,976	424.80	9,335	20,649	435.60	8,995
FEMALE	2,294	540.00	1,239	2,095	558.00	1,169	2,095	572.40	1,199	2,095	583.20	1,222
TOTAL (2)(C)	29,045		11,832	25,108		10,779	24,071		10,534	22,744		10,217
TOTAL (2)	348,305		99,270	332,516		103,294	316,844		100,541	303,290		98,590
3) SUPPLEMENTARY	7,628	234.40	1,788	7,628	214.99	1,640	7,628	214.99	1,640	7,628	214.99	1,640
4) UP-FRONT PURCHASES			2,110			2,000			0			0
TOTAL 2-K			\$151,616			\$165,546			\$161,383			\$160,245

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-L FAMILY SEPARATION ALLOWANCE

-FY 1999	ESTIMATE	\$26,291
-FY 1998	ESTIMATE	\$26,291
-FY 1997	ESTIMATE	\$26,291
-FY 1996	ESTIMATE	\$25,114

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE AN ALLOWANCE TO ENLISTED WITH DEPENDENTS (37 U.S.C. 427) FOR ADDED SEPARATION EXPENSES WHEN THE REQUIREMENTS LISTED BELOW ARE MET:

- (1) THE MOVEMENT OF DEPENDENTS TO AN OVERSEAS PERMANENT DUTY STATION IS NOT AUTHORIZED AND THE MEMBER MUST MAINTAIN TWO HOMES.
- (2) THE MOVEMENT OF DEPENDENTS TO THE PERMANENT DUTY STATION OR A PLACE NEAR THE STATION IS NOT AUTHORIZED AT GOVERNMENT EXPENSE UNDER THE JOINT TRAVEL REGULATIONS AND THE MEMBER'S DEPENDENTS DO NOT RESIDE AT OR NEAR THAT STATION.
- (3) THE MEMBER IS ON DUTY ON BOARD A SHIP AWAY FROM THE HOME PORT OF THE SHIP FOR A CONTINUOUS PERIOD OF MORE THAN 30 DAYS.
- (4) THE MEMBER IS ON TEMPORARY DUTY OR TEMPORARY ADDITIONAL DUTY AWAY FROM HIS PERMANENT STATION FOR A CONTINUOUS PERIOD OF MORE THAN 30 DAYS AND THE MEMBER'S DEPENDENTS DO NOT RESIDE AT OR NEAR THE MEMBER'S TEMPORARY OR TEMPORARY ADDITIONAL DUTY STATION.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FAMILY SEPARATION ALLOWANCES ARE DETERMINED BY MULTIPLYING THE PLANNED NUMBER OF MEMBERS ELIGIBLE BY THE STATUTORY RATES. THE RATES INCLUDE A 2.4% EFFECTIVE 01 JANUARY 1996, 3.0% EFFECTIVE 01 JANUARY 1997, 2.8% EFFECTIVE 01 JANUARY 1998, AND A 3.0% IN FY 1999 WHERE APPLICABLE.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) ON PERMANENT CHANGE OF STATION												
WITH DEPENDENTS NOT AUTHORIZED												
GOVERNMENT QUARTERS NOT AVAILABLE												
PAYGRADE E-9	7	\$5,668.51	\$40	7	\$5,871.00	\$41	7	\$6,051.96	\$42	7	\$6,239.06	\$44
E-8	12	5,206.08	62	12	5,398.45	65	12	5,553.72	67	12	5,726.49	69
E-7	30	4,443.64	133	30	4,600.29	138	30	4,741.70	142	30	4,888.88	147
E-6	52	4,023.76	209	52	4,167.02	217	52	4,295.11	223	52	4,428.55	230
E-5	41	3,702.14	152	41	3,830.38	157	41	3,948.35	162	41	4,070.89	167
E-4	18	3,229.36	58	18	3,341.63	60	18	3,444.70	62	18	3,551.05	64
E-3	3	3,168.02	10	3	3,278.60	10	3	3,380.18	10	3	3,487.56	10
E-2	1	2,573.41	3	1	2,664.27	3	1	2,746.48	3	1	2,830.68	3
SUB-TOTAL (1)	164		\$667	164		\$691	164		\$711	164		\$734



(IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(2) ON PERMANENT CHANCE OF STATION WITH DEPENDENTS NOT AUTHORIZED	3,926	\$900.00	\$3,533	3,412	\$900.00	\$3,071	3,412	\$900.00	\$3,071	3,412	\$900.00	\$3,071
(3) ON BOARD SHIP FOR MORE THAN 30 DAYS	15,975	900.00	14,378	16,686	900.00	15,017	16,663	900.00	14,997	16,638	900.00	14,974
(4) ON TEMPORARY DUTY FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TEMPORARY DUTY STATION	7,262	900.00	6,536	8,347	900.00	7,512	8,347	900.00	7,512	8,347	900.00	7,512
TOTAL 2-L			\$25,114			\$26,291			\$26,291			\$26,291

(IN THOUSANDS OF DOLLARS)

-FY 1999	ESTIMATE	\$115,196
-FY 1998	ESTIMATE	\$120,421
-FY 1997	ESTIMATE	\$158,655
-FY 1996	ESTIMATE	\$237,120

PROJECT: 2-M SEPARATION PAYMENTS

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED PROVIDE:

- (1) LUMP SUM TERMINAL LEAVE PAYMENTS FOR UNUSED ACCRUED LEAVE AT TIME OF DISCHARGE, OR DEATH UNDER PROVISIONS OF (37 U.S.C. 501), AND (10 U.S.C. 701).
- (2) SEVERANCE PAY DISABILITY - PAYMENT TO MEMBERS SEPARATED (NOT RETIRED) FOR PHYSICAL DISABILITY UNDER PROVISIONS OF (10 U.S.C. 1212).
- (3) INVOLUNTARY - HALF SEVERANCE PAY IS 5% OF THE PRODUCT OF MEMBERS YEARS ACTIVE SERVICE PLUS FRACTIONS OF YEARS BASED ON FULL MONTHS AND 12 TIMES MONTHLY BASIC PAY IS AUTHORIZED TO MEMBERS NOT FULLY QUALIFIED FOR RETENTION AND IS DENIED REENLISTMENT OR CONTINUATION.

INVOLUNTARY - FULL SEVERANCE PAY IS 10% OF THE PRODUCT OF MEMBERS YEARS ACTIVE SERVICE PLUS FRACTIONS OF YEARS BASED ON FULL MONTHS AND 12 TIMES MONTHLY BASIC PAY IS AUTHORIZED TO MEMBERS INVOLUNTARILY SEPARATED FROM ACTIVE DUTY BUT WHO ARE FULLY QUALIFIED FOR RETENTION, BUT ARE DENIED REENLISTMENT OR CONTINUATION.

VOLUNTARY - SPECIAL SEPARATION BENEFITS ((SSB) 10 USC 1174a) WILL PAY MEMBERS A LUMP-SUM AMOUNT EQUAL TO 15% OF THEIR ANNUAL BASIC PAY MULTIPLIED BY THEIR YEARS OF SERVICE.

- (4) VOLUNTARY SEPARATION INCENTIVE (QSI) 10 USC 1175) WILL PAY MEMBERS 2.5 TIMES THEIR ANNUAL BASIC PAY, MULTIPLIED BY THEIR YEARS OF SERVICE. PAYMENTS WILL BE ANNUAL AND LAST FOR TWICE THE NUMBER OF YEARS OF SERVICE.

- (5) DISCHARGE GRATUITY DONATION NOT TO EXCEED \$25, TO MEMBER SEPARATED WITH A DISHONORABLE, BAD CONDUCT, OR UNDESIRABLE DISCHARGE FOR REASONS OF SECURITY, UNFITNESS, ETC., UNDER PROVISIONS OF (10 U.S.C. 771A).

- (6) 15 YEAR EARLY RETIREMENT PROGRAM (ERP) FOR MEMBERS ON ACTIVE DUTY WITH MORE THAN 15 BUT LESS THAN 20 YEARS OF SERVICE. THE FY 1993 DEFENSE AUTHORIZATION ACT APPROVED AN ACTIVE DUTY EARLY RETIREMENT PROGRAM FOR USE DURING THE FORCE DRAWDOWN. THE EARLY RETIREMENT PROGRAM IS NECESSARY TO SHAPE THE 15-20 YEAR SEGMENT OF THE FORCE. IT WILL ASSIST THE SERVICES IN ACHIEVING THEIR DRAWDOWN GOALS OF MAINTAINING READINESS AND TREATING PEOPLE FAIRLY. THE CRITERIA FOR EARLY RETIREMENT WILL INCLUDE SUCH FACTORS AS GRADE, YEARS OF SERVICE, AND SKILL, WITH A FOCUS ON THE POPULATION WHERE THE INVENTORY EXCEEDS REQUIREMENTS. MEMBERS APPROVED FOR EARLY RETIREMENT WILL RECEIVE THE SAME BENEFITS AS INDIVIDUALS WITH 20 OR MORE YEARS OF SERVICE. HOWEVER, THEIR RETIRED PAY WILL BE REDUCED ONE PERCENT FOR EACH YEAR THAT THEY ARE SHORT OF 20 YEARS OF ACTIVE DUTY. THE EARLY RETIREMENT AMOUNT IS THE PRODUCT OF 2.5 PERCENT X THE YEARS OF SERVICE X BASIC PAY (ADJUSTED FOR COLA) X REDUCTION FACTOR. FOR MEMBERS WHO LEAVE UNDER THE EARLY RETIREMENT PROGRAM, THE NAVY IS REQUIRED TO ESTABLISH A SURACOUNT WITHIN MPN TO FUND UP FRONT ALL EARLY RETIREMENT PAYMENTS INCLUDING COST OF LIVING ADJUSTMENTS, WHICH WILL COVER THE ENTIRE INITIAL PERIOD. THIS PERIOD IS DEFINED AS THAT PERIOD EQUAL TO THE DIFFERENCE BETWEEN 20 YEARS AND THE NUMBER OF YEARS COMPLETED BY THE MEMBER. THE AUTHORITY TO USE THE EARLY RETIREMENT PROGRAM EXPIRES ON 1 OCTOBER 1999.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SEPARATION PAYMENTS ARE COMPUTED ON THE BASIS OF THE NUMBER OF MEMBERS ELIGIBLE FOR PAYMENT AT THE AVERAGE RATES DERIVED FROM PAST EXPERIENCE. THE RATES INCLUDE A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1997, 2.8% PAY RAISE EFFECTIVE 01 JANUARY 1998 AND A 3.0% PAY RAISE EFFECTIVE 01 JANUARY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

(IN THOUSANDS OF DOLLARS)

	FY 1986				FY 1987				FY 1988				FY 1989			
	NUMBER	DAYS	RATE	AMOUNT	NUMBER	DAYS	RATE	AMOUNT	NUMBER	DAYS	RATE	AMOUNT	NUMBER	DAYS	RATE	AMOUNT
1) LUMP SUM TERMINAL LEAVE PAYMENTS																
PAYGRADE E-9	278	22	\$2,210.07	\$614	284	23	\$2,297.17	\$652	304	23	\$2,330.79	\$709	270	23	\$2,389.29	\$645
E-8	827	21	1,863.93	1,541	854	22	1,945.79	1,662	928	24	1,953.72	1,813	781	24	2,008.89	1,569
E-7	3,255	23	1,639.20	5,336	3,429	23	1,704.24	5,844	3,231	25	1,738.12	5,616	2,734	25	1,787.26	4,886
E-6	8,745	23	1,275.68	11,156	8,102	22	1,345.37	10,900	7,467	25	1,375.19	10,269	6,537	25	1,410.09	9,218
E-5	11,613	23	1,045.57	12,142	12,183	22	1,075.13	13,098	10,641	24	1,096.84	11,671	9,480	24	1,129.20	10,705
E-4	13,936	21	796.68	11,103	14,214	20	820.55	11,663	13,857	23	836.27	11,588	12,605	23	859.45	10,833
E-3	8,192	17	573.20	4,696	11,730	17	590.03	6,921	9,422	22	605.60	5,706	7,264	22	621.27	4,513
E-2	3,477	15	425.39	1,479	3,282	15	437.61	1,436	3,258	19	450.02	1,466	3,607	19	460.58	1,661
E-1	2,865	10	250.09	717	2,581	10	257.01	663	2,797	12	264.64	740	2,848	12	271.33	773
TOTAL (1)	53,188			48,784	56,659			52,839	51,905			49,578	46,126			44,803
(2) SEVERANCE PAY																
DISABILITY	3,302		17,685.33	58,430	2,884		18,091.10	52,175	2,695		18,472.63	49,784	2,592		18,889.59	48,962
(3) SEVERANCE PAY																
NON-DISABILITY																
INVOLUNTARY - HALF	1,370		10,817.20	14,820	955		11,060.58	10,563	955		11,292.86	10,785	955		11,544.13	11,025
INVOLUNTARY - FULL	451		19,105.00	8,616	294		19,534.86	5,743	294		19,945.09	5,864	294		20,393.85	5,996
TOTAL (3)				23,436				16,306				16,649				17,021
(4) VOLUNTARY SEPARATION																
SSE	195		35,895.00	7,000	0		0.00	0	0		0.00	0	0		0.00	0
VSI *	7		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
VSI TRUST FUND **	0		0.00	4,400	0		0.00	4,400	0		0.00	4,400	0		0.00	4,400
TOTAL (4)				11,400				4,400				4,400				4,400
(5) DISCHARGE GRATUITY	410		24.00	10	410		24.00	10	410		24.00	10	410		24.00	10
(6) 15 YEAR RETIREMENT	3,548		26,792.55	95,060	1,200		27,437.50	32,925	0		0.00	0	0		0.00	0
TOTAL 2-M				\$237,120				\$158,655				\$120,421				\$115,196

\* VSI recipients prior to 1 January 1983 - Funded directly from the Military Personnel Appropriation.

\*\* VSI recipients on or after 31 December 1982 - Payments are made from the Military Personnel Appropriation to the VSI Fund. Funding represents present value cost for recipients.

**MILITARY PERSONNEL, NAVY  
SEPARATION COSTS and TRANSITION BENEFITS**

	FY 1996			FY 1997			FY 1998		
ENLISTED	NUMBER	RATE	TOTAL	NUMBER	RATE	TOTAL	NUMBER	RATE	TOTAL
Special Separation Benefits (SSB)	195	35,895	7,000	0	0	0	0	0	0
Voluntary Separation Incentive (VSI) 1/	7	0	0	0	0	0	0	0	0
VSI TRUST FUND	0	0	4,400	0	0	4,400	0	0	4,400
15 Year Early Retirement Authority	3,548	28,783	95,080	1,200	27,437	32,925	0	0	0
Total Enlisted, MPN	3,750		\$106,480	1,200		\$37,325	0		\$4,400

	FY 1999			FY 2000			FY 2001		
ENLISTED	NUMBER	RATE	TOTAL	NUMBER	RATE	TOTAL	NUMBER	RATE	TOTAL
Special Separation Benefits (SSB)	0	0	0	0	0	0	0	0	0
Voluntary Separation Incentive (VSI)	0	0	0	0	0	0	0	0	0
VSI TRUST FUND	0	0	4,400	0	0	4,400	0	0	4,400
15 Year Early Retirement Authority	0	0	0	0	0	0	0	0	0
Total Enlisted, MPN	0		\$4,400	0		\$4,400	0		\$4,400

**1/ NUMBER OF TAKERS ONLY**

(IN THOUSANDS OF DOLLARS)

PROJECT: 2-N SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION

-FY 1999	ESTIMATE	\$520,744
-FY 1998	ESTIMATE	\$527,895
-FY 1997	ESTIMATE	\$547,865
-FY 1996	ESTIMATE	\$553,080

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED REPRESENT THE GOVERNMENT'S CONTRIBUTION (AS AN EMPLOYER) AS REQUIRED BY THE FEDERAL INSURANCE CONTRIBUTION ACT UNDER PROVISION OF (26 U.S.C. 3101, 3111), AND P.L. 98-21 "SOCIAL SECURITY AMENDMENT OF 1983." FUNDS REQUESTED FOR MILITARY SERVICE CREDITS REFLECT THE ADMINISTRATION'S DECISION TO HAVE DOD RATHER THAN HEALTH AND HUMAN SERVICES FUND MILITARY SERVICE SOCIAL SECURITY WAGE CREDITS FOR NON-WAGE INCOME EFFECTIVE 01 OCTOBER 1987. THE REQUEST ALSO REFLECTS THE IMPACT OF PUBLIC LAW 99-576 WHICH PROVIDES FOR REMOVAL FROM TAXABLE INCOME THE \$1,200 MEMBER CONTRIBUTION REQUIRED FOR PARTICIPATION IN THE BASIC BENEFIT PROGRAM OF THE NEW G.I. BILL EFFECTIVE 01 JANUARY 1986.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SOCIAL SECURITY COSTS ARE BASED ON THE PERCENTAGE RATE SET BY LAW ON A MEMBER'S SALARY FOR A CALENDAR YEAR. P.L. 98-21, "SOCIAL SECURITY AMENDMENT OF 1983" DATED 20 APRIL 1983 ESTABLISHED THE TAX RATE WHILE THE MAXIMUM TAXABLE INCOME IS DETERMINED BY THE SOCIAL SECURITY ADMINISTRATION. THE OLD AGE, SURVIVOR AND DISABILITY INCOME (OASDI) RATE IS 6.2% AND THE HOSPITAL INSURANCE (HI) IS 1.45%. THERE IS NO WAGE CAP ON THE 1.45% MEDICAL CONTRIBUTION. THE GOVERNMENT'S CONTRIBUTION IS BASED ON THE PERCENTAGE RATE SET BY LAW ON MEMBER'S SALARY FOR A CALENDAR YEAR. TAXABLE INCOME CEILINGS FOR OASDI ARE AS FOLLOWS:

CALENDAR YEAR 1986	- 7.65% ON FIRST \$62,700
CALENDAR YEAR 1997	- 7.65% ON FIRST \$65,400
CALENDAR YEAR 1998	- 7.65% ON FIRST \$68,700
CALENDAR YEAR 1999	- 7.65% ON FIRST \$71,400

FUNDING FOR FY 1996, FY 1997, FY 1998, AND FY 1999 INCLUDES EMPLOYER'S CONTRIBUTION TO SOCIAL SECURITY FOR WHICH MILITARY MEMBERS RECEIVE WAGE CREDIT BUT NO SOCIAL SECURITY TAX (I.E., QUARTERS AND SUBSISTENCE ALLOWANCES). DOD MAKES DIRECT PAYMENTS TO THE SOCIAL SECURITY TRUST FUNDS BASED ON HEALTH AND HUMAN SERVICES (HHS) ESTIMATES TO COVER THE COST OF THESE ADDITIONAL CREDITS.

DETAILS OF THE COMPUTATIONS ARE SHOWN BELOW:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION MILITARY SERVICE CREDITS	364,129	\$1,318.71	\$480,180	345,596	\$1,354.51	\$468,115	331,530	\$1,388.10	\$460,195	318,391	\$1,426.06	\$454,014
			72,900			79,750			67,700			66,700
TOTAL 2-N			553,080			547,865			527,895			520,744
TOTAL OBLIGATIONS			11,628,264			11,310,479			10,945,581			10,771,195
LESS REIMBURSABLES			118,091			103,924			94,963			88,696
TOTAL DIRECT OBLIGATIONS			\$11,510,173			\$11,206,555			\$10,850,618			\$10,682,499

PAY AND ALLOWANCES OF MIDSHIPMEN  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

	AMOUNT
FY 1997 DIRECT PROGRAM-----	35,648
INCREASES:	
SUBSISTENCE-----	152
-INCREASE DUE TO INFLATION-----	154
-DECREASE IN WORKYEARS-----	-2
TOTAL INCREASES-----	152
DECREASES:	
BASIC PAY-----	-7
-DECREASE IN WORKYEARS-----	-7
SOCIAL SECURITY TAX-----	-1
-DECREASE IN WORKYEARS-----	-1
TOTAL DECREASES-----	-8
FY 1998 DIRECT PROGRAM-----	35,792
INCREASES:	
SUBSISTENCE-----	169
-INCREASE DUE TO INFLATION-----	169
TOTAL INCREASES-----	169
FY 1999 DIRECT PROGRAM-----	35,961

(IN THOUSANDS OF DOLLARS)

PROJECT: 3-B MIDSHIPMEN

-FY 1999 ESTIMATE \$35,961  
-FY 1998 ESTIMATE \$35,792  
-FY 1997 ESTIMATE \$35,648  
-FY 1996 ESTIMATE \$35,834

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED ARE TO PROVIDE FOR BASIC PAY UNDER THE PROVISIONS OF 37 U.S.C. 203(C)(1); COMMUTED RATIONS ALLOWANCE UNDER THE PROVISIONS OF 37 U.S.C. 422; AND FOR EMPLOYER'S CONTRIBUTION OF FICA AS PROVIDED BY THE FEDERAL INSURANCE CONTRIBUTION ACT (26 U.S.C. 3101 AND 3111); AND FOR NUCLEAR ACCESSION BONUS (37 U.S.C. 312B).

PART II - JUSTIFICATION OF FUNDS REQUESTED

FUNDS REQUIRED ARE DETERMINED BY APPLYING STATUTORY RATES TO THE PROJECTED WORKYEARS. PROVISION IS MADE FOR AN AVERAGE OF 3.946 MIDSHIPMEN IN 1996, 3,855 IN 1997, 3,854 IN 1998 AND 3,854 IN 1999.

SUBSISTENCE RATES ARE \$4.88 PER DAY FOR FY 1996, \$5.03 PER DAY FOR FY 1997, \$5.14 PER DAY FOR FY 1998, AND \$5.26 PER DAY FOR FY 1999.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) BASIC PAY	3,946	\$6,696.48	\$26,424	3,855	\$6,696.48	\$25,815	3,854	\$6,696.48	\$25,808	3,854	\$6,696.48	\$25,808
(2) SUBSISTENCE												
(A) SUBSISTENCE ALLOWANCE	3,946	1786.08	7,048	3,855	1,835.95	7,078	3,854	1,876.10	7,230	3,854	1,919.90	7,399
(B) OPERATIONAL RATIONS	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
TOTAL			7,048			7,078			7,230			7,399
(3) SOCIAL SECURITY TAX - EMPLOYER'S CONTRIBUTION	3,946	512.29	2,022	3,855	512.29	1,975	3,854	512.29	1,974	3,854	512.29	1,974
(4) NUCLEAR ACCESSION BONUS	85	4000.00	340	130	6,000.00	780	130	6,000.00	780	130	6,000.00	780
TOTAL 3-B			\$35,834			\$35,648			\$35,792			\$35,961
TOTAL OBLIGATIONS			35,834			35,648			35,792			35,961
LESS REIMBURSABLE OBLIGATIONS			0			0			0			0
TOTAL DIRECT OBLIGATIONS			\$35,834			\$35,648			\$35,792			\$35,961

SUBSISTENCE OF ENLISTED PERSONNEL  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

	AMOUNT
FY 1997 DIRECT PROGRAM-----	736,821
INCREASES:	
1 JAN 1998 2.8% BAS RAISE (BAS 1%, PARTIAL BAS 1.8%) -----	21,073
TOTAL INCREASES -----	21,073
DECREASES:	
WORKYEAR RELATED DECREASES-----	-23,965
DECREASE IN SUBSISTENCE-IN-KIND-----	-2,764
TOTAL DECREASES -----	-26,729
FY 1998 DIRECT PROGRAM-----	731,165
INCREASES:	
1 JAN 1999 3.0% BAS RAISE (BAS 1%, PARTIAL BAS 2.0%) -----	17,392
TOTAL INCREASES -----	17,392
DECREASES:	
WORKYEAR RELATED DECREASES-----	-18,249
DECREASE IN SUBSISTENCE-IN-KIND-----	-3,353
TOTAL DECREASES -----	-21,602
FY 1999 DIRECT PROGRAM-----	726,955



(IN THOUSANDS OF DOLLARS)

PROJECT: 4-A BASIC ALLOWANCE FOR SUBSISTENCE

-FY 1999	ESTIMATE	\$516,654
-FY 1998	ESTIMATE	\$517,861
-FY 1997	ESTIMATE	\$520,858
-FY 1996	ESTIMATE	\$533,957

PART I - PURPOSE AND SCOPE

THE FUNDS REQUESTED FOR THIS PROJECT PROVIDE ENLISTED MEMBERS A CASH SUBSISTENCE ALLOWANCE (37 U.S.C. 402).

- (1) WHEN A GOVERNMENT MESS IS AVAILABLE FOR THEIR USE, BUT ARE AUTHORIZED TO MESS SEPARATELY AT THEIR OWN EXPENSE.
- (2) FOR EACH DAY CHARGED AS LEAVE,
- (3) AT A DUTY STATION THAT DOES NOT HAVE A GOVERNMENT MESS AVAILABLE, AND
- (4) RECEIVING COMMUTED RATIONS, BUT ASSIGNED DUTIES REQUIRING THEM TO PURCHASE ONE OR MORE MEALS FROM OTHER THAN A GOVERNMENT MESS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FUNDS REQUIRED ARE BASED ON THE AVERAGE NUMBER OF ENLISTED PERSONNEL ENTITLED TO RECEIVE THE SEVERAL TYPES OF ALLOWANCES. DISTRIBUTION OF PERSONNEL IS DEVELOPED ON THE BASIS OF ACTUAL EXPERIENCE DATA. THE DAILY RATES OF SUBSISTENCE ON A CASH BASIS ARE AS FOLLOWS:

	FY 96	FY 97	FY 98	FY 99
COMMUTED AND LEAVE RATIONS	7.15	7.36	7.38	7.45
RATIONS IN KIND UNAVAILABLE	8.06	8.30	8.32	8.41
AUGMENTATION RATIONS	0.38	0.39	0.39	0.39

STARTING IN FY 1998, BAS REFORM IS INITIATED BY AUTHORIZING A PARTIAL BAS PAYMENT. THE PARTIAL BAS PROPOSAL IS A COST NEUTRAL EFFORT TO PROVIDE ALL ELIGIBLE ENLISTED PERSONNEL WITH A BAS PAYMENT. THE PROPOSAL LIMITS THE GROWTH OF BAS TO ONE PERCENT PER YEAR IN ORDER TO ALLOW THE DEPARTMENT TO MAKE A PARTIAL BAS PAYMENT WITH THE REMAINING PAY RAISE RESOURCES TO MEMBERS RECEIVING SUBSISTENCE-IN-KIND (SIK) PAYMENTS. PROJECTED INCREASES IN COST GROWTH WILL ALLOW THE U.S. DEPARTMENT OF AGRICULTURE (USDA) FOOD PLANS TO CATCH-UP WITH THE BAS PAYMENT IN APPROXIMATELY SIX YEARS AT WHICH TIME ALL ENLISTED PERSONNEL WILL BE ENTITLED TO A BAS PAYMENT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) WHEN AUTHORIZED TO MESS SEPARATELY	144,284	\$2,601.26	\$375,321	138,119	\$2,667.08	\$368,374	131,533	\$2,693.75	\$354,317	126,692	\$2,720.69	\$344,690
(2) LEAVE RATIONS	28,051	2,601.26	72,968	26,041	2,667.08	69,453	24,923	2,693.75	67,136	23,977	2,720.69	65,234
(3) WHEN RATIONS IN KIND NOT AVAILABLE	29,158	2,932.48	85,505	27,566	3,007.42	82,901	26,380	3,037.49	80,129	25,375	3,067.86	77,847
(4) AUGMENTATION OF COMMUTED RATION ALLOWANCE FOR MEALS TAKEN SEPARATELY	(1,180)	138.16	163	(921)	141.43	130	(881)	142.35	125	(847)	142.35	121
(5) PARTIAL BAS	0		0	0		0	(163,963)	98.52	16,154	(160,003)	179.76	28,762
TOTAL OBLIGATIONS	201,493		533,957	191,726		520,858	182,836		517,861	176,044		516,654
LESS REIMBURSEMENTS			5,101			5,043			4,938			4,588
TOTAL DIRECT OBLIGATIONS			\$528,856			\$515,815			\$512,923			\$512,066

(IN THOUSANDS OF DOLLARS)

- FY 1999 ESTIMATE \$253,380  
- FY 1998 ESTIMATE \$257,058  
- FY 1997 ESTIMATE \$260,053  
- FY 1996 ESTIMATE \$0

PROJECT: 4-B SUBSISTENCE IN KIND

PART I - PURPOSE AND SCOPE

THE FUNDS REQUESTED FOR THIS PROJECT PROVIDE FOR SUBSISTENCE IN KIND FURNISHED ACTIVE DUTY ENLISTED PERSONNEL (10 U.S.C. 6081A), (10 U.S.C. 6087), FUNDS ARE INCLUDED FOR THE TESTING OF NEW FOOD ITEMS, FOR THE REPLACEMENT OF EMERGENCY RATIONS, AND THE ROTATION OF OPERATIONAL RATIONS. THE ADDITIONAL COST OF SUBSISTING SUBMARINE ENLISTED PERSONNEL IS INCLUDED IN SUPPLEMENTAL ALLOWANCES TO IDENTIFY THE COST WHICH IS IN EXCESS OF THAT REQUIRED FOR SURFACE SHIPS. FUNDS TO COVER LOSSES OF SUBSISTENCE INVENTORIES ARE ALSO INCLUDED.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FUNDS REQUIRED ARE BASED ON THE NUMBER OF RATIONS TO BE FURNISHED ENLISTED PERSONNEL ENTITLED TO BE SUBSISTED AT GOVERNMENT EXPENSE. THE DISTRIBUTION OF PERSONNEL BY CATEGORY IS PROJECTED BASED ON ACTUAL EXPERIENCE. THE INVENTORY ADJUSTMENT LINE INCLUDES THE INVENTORY AMOUNTS FOR NEW COMMISSIONINGS OFFSET BY DECOMMISSIONINGS. STARTING IN FY 1997, FUNDING FOR SIK TRANSFERRED FROM O&M TO THE MILPERS APPROPRIATION. SIK FUNDING FOR FY 1996 IS DISPLAYED IN THE O&M BUDGET EXHIBITS. THE DAILY RATES OF SUBSISTENCE IN THE GENERAL MESSSES ARE:

	FY 1996	FY 1997	FY 1998	FY 1999
ASHORE CONUS	0.00	5.84	5.96	6.09
ASHORE OVERSEAS	0.00	6.30	6.43	6.57
AFLD&T	0.00	6.12	6.25	6.38

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996	FY 1997	FY 1998	FY 1999
	PERSONNEL STATISTICS	PERSONNEL STATISTICS	PERSONNEL STATISTICS	PERSONNEL STATISTICS
ENLISTED STRENGTH (WORKYEARS)	0	345,566	331,530	318,391
ON MONETARY ALLOWANCE	0	191,726	182,836	176,044
SPECIAL RATIONS	0	539	515	496
TOTAL DEDUCTIONS	0	192,265	183,351	176,540
NAVY ENLISTED ENTITLED TO BE SUBSISTED	0	153,331	148,179	141,851
PLUS OTHER SERVICES ENTITLED TO BE SUBSISTED IN NAVY GENERAL MESSSES	0	9,524	9,469	9,222
MINUS NAVY ENLISTED ENTITLED TO BE SUBSISTED IN OTHER SERVICES GENERAL MESSSES	0	956	917	880
TOTAL ENLISTED TO BE SUBSISTED	0	161,889	156,731	150,193

**DISTRIBUTION OF BALANCE ENTITLED TO BE  
SUSTAINED IN GENERAL MESSES**

	FY 1986			FY 1987			FY 1988			FY 1989		
	GROSS NUMBER	% FED	NET NUMBER	GROSS NUMBER	% FED	NET NUMBER	GROSS NUMBER	% FED	NET NUMBER	GROSS NUMBER	% FED	NET NUMBER
<b>CONUS:</b>												
NAVY	0	0.00	0	48,623	0.41	19,935	46,991	0.42	19,736	44,984	0.43	19,343
OTHERS	0		0	2,626		2,626	2,603		2,603	2,462		2,402
<b>OVERSEAS:</b>												
NAVY	0	0.00	0	8,731	0.39	3,405	8,438	0.40	3,375	8,078	0.41	3,312
OTHERS	0		0	668		668	664		664	681		681
<b>AFLOAT:</b>												
NAVY	0	0.00	0	95,021	0.67	63,664	91,833	0.66	60,610	87,909	0.67	58,899
OTHERS	0		0	6,230		6,230	6,202		6,202	6,079		6,079
	0		0	161,889		98,528	156,731		93,190	150,193		90,776

**DISTRIBUTION OF BALANCE ENTITLED TO BE  
SUBSIDIZED IN GENERAL MESSES  
(IN THOUSANDS OF DOLLARS)**

	FY 1998			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE DAILY	RATE ANNUAL	AMOUNT	NUMBER	RATE DAILY	RATE ANNUAL	AMOUNT	NUMBER	RATE DAILY	RATE ANNUAL	AMOUNT
<b>(1) SUBSIDENCE IN GENERAL MESSES</b>												
<b>(A) BASIC ALLOWANCE</b>												
CONUS:												
NAVY	0	0.00	0.00	\$0	19,835	5.84	2,131.60	\$42,493	19,343	6.09	2,222.85	\$42,997
OTHERS	0			0	2,628			5,598	2,462			5,473
<b>OVERSEAS:</b>												
NAVY	0	0.00	0.00	0	3,405	6.30	2,299.50	7,830	3,312	6.57	2,398.05	7,942
OTHERS	0			0	668			1,536	681			1,633
<b>AFLOAT:</b>												
NAVY	0	0.00	0.00	0	63,664	6.12	2,233.80	142,213	58,899	6.38	2,328.70	137,158
OTHERS	0			0	6,230			13,917	6,079			14,156
<b>TOTAL (1)</b>	0			0	98,528			213,587	90,776			209,358
<b>(2) OPERATIONAL RATIONS</b>												
(A) FLIGHT/ BOAT RATIONS				0				199				207
(B) EMERGENCY RATIONS				0				2				2
(C) ROTATION OF OPERATIONAL RATIONS				0				169				171
<b>TOTAL (2)</b>				\$0				\$370				\$380
<b>(3) AUGMENTATION RATIONS</b>												
SUPPLEMENTAL ALLOWANCES	0	\$0.00	\$0.00	\$0	31,365	\$0.50	\$182.50	\$5,724	28,855	\$0.50	\$182.50	\$5,266

	FY 1986			FY 1987			FY 1988			FY 1989		
	NUMBER	RATE DAILY	RATE ANNUAL	AMOUNT	NUMBER	RATE DAILY	RATE ANNUAL	AMOUNT	NUMBER	RATE DAILY	RATE ANNUAL	AMOUNT
(4) OTHER PROGRAMS												
(A) NEW FOOD ITEM PROGRAM				0				0				0
(B) CONTRACT MESSIES	0	0.00	0.00	0	539	5.21	1,901.65	1,025	515	5.32	1,941.80	1,000
(C) INVENTORY ADJUSTMENT				0				270				1,124
(D) SURVEYS/SPOILAGE				0				3,690				3,639
(E) ADJUSTMENT FOR VARIANCE BETWEEN GENERAL MESS RATES AND ACTUAL COST OF FEEDINGS:												
1. HOSPITAL	0	0.00	0.00	0	2,170	0.31	113.15	246	2,077	0.32	116.80	243
2. NSC	0	0.00	0.00	0	676	0.77	281.05	190	647	0.78	284.70	184
3. COAST GUARD	0	0.00	0.00	0	3	0.13	47.45	0	3	0.13	47.45	0
(F) SALE OF MEAL RATE EDFA COST OF FOOD VARIANCE				0				-4,096				-4,270
(G) FOREIGN CURRENCY FLUCTUATION				0				0				0
(H) SALE OF MEALS-BULK SUBSISTENCE				0				39,047				38,816
TOTAL (4)				0				40,372				40,736
TOTAL SIK 4-B				0				260,053				257,058
TOTAL OBLIGATIONS				533,957				780,911				774,919
LESS REIMBURSABLES				5,101				44,090				43,754
TOTAL DIRECT OBLIGATIONS				\$528,856				\$736,821				\$731,165

PERMANENT CHANGE OF STATION TRAVEL  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

AMOUNT

FY 1997 DIRECT PROGRAM ----- \$588,503

INCREASES:

PROGRAM INCREASES ----- +29,954  
-RESULTS FROM ADDITIONAL PLANNED ROTATIONAL, OFFICER ACCESSION AND OPERATIONAL MOVES.

COMMERCIALLY PROCURED SERVICES ----- + 6,883

-INCREASED COST OF COMMERCIALLY PROCURED SERVICES DUE TO 2.1% PROJECTED INFLATION:

COMMERCIAL AIR, PASSENGERS +2.1% 479  
COMMERCIAL AIR, HOUSEHOLD GOODS +2.1% 26  
TRAILER ALLOWANCE +2.1% +16  
NON-TEMPORARY STORAGE +2.1% +221  
HHG, LAND +2.1% +4,271  
ITGBL +2.1% +1,870

INDUSTRIALLY FUNDED SERVICES -----

MTWC PORT HANDLING +5.7% +496  
MAC - CARGO +5.0% +1,220  
MAC - PASSENGER +4.0% +464  
MSC - BREAKBULK +17.9% +221  
MSC - DOMESTIC CONTAINER +0.6% +64  
MSC - OVERSEAS CONTAINERS +0.6% +77

PAY RAISE-----

ANNUALIZATION OF 3.0% EFFECTIVE 1 JANUARY 1997 (\$+384) AND ANTICIPATED 2.8% PAYRAISE EFFECTIVE 1 JANUARY 1998 (\$+1,084).

PROGRAM BUDGET DECISIONS INITIATIVES-----

APPROVED LEGISLATIVE PROPOSALS

- ROUND TRIP TRAVEL TO PICK-UP POV +48  
- VEHICLE STORAGE IN LIEU OF TRANSPORTATION +1,500

TOTAL INCREASES -----

+42,395

DECREASES:

PROGRAM DECREASES -----

-FEWER PLANNED TRAINING, SEPARATION, ORGANIZED UNIT, ENLISTED ACCESSION AND OPERATIONAL MOVES.

-48,960

TOTAL DECREASES -----

--48,960

FY 1998 DIRECT PROGRAM ----- \$581,938

INCREASES:

PROGRAM INCREASES -----

-RESULTS FROM ADDITIONAL PLANNED OFFICER SEPARATION AND ORGANIZED UNIT MOVES.

COMMERCIALLY PROCURED SERVICES ----- + 866

-INCREASED COST OF COMMERCIALLY PROCURED SERVICES DUE TO 2.1% PROJECTED INFLATION:

COMMERCIAL AIR, PASSENGERS +2.1% +474  
COMMERCIAL AIR, HOUSEHOLD GOODS +2.1% +26  
TRAILER ALLOWANCE +2.1% +16  
NON-TEMPORARY STORAGE +2.1% 233  
HHG, LAND +2.1% +4,183  
ITGBL +2.1% +1,847

+ 6,779

PERMANENT CHANGE OF STATION TRAVEL  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

AMOUNT

INCREASES (CONTINUED)

INDUSTRIALLY FUNDED SERVICES			
MAC - CARGO	+5.0%	+1,243	+5,471
MAC - PASSENGER	+4.0%	+469	
MSC - DOMESTIC CONTAINER	+16.3%	+1,702	
MSC - OVERSEAS CONTAINERS	+16.3%	+2,057	
PAY RAISE			
ANNUALIZATION OF 2.6% EFFECTIVE 1 JANUARY 1998 (\$+372) AND ANTICIPATED 3.0% PAYRAISE EFFECTIVE 1 JANUARY 1999 (\$+1,206).			+1,578
TOTAL INCREASES			+14,694

DECREASES:

PROGRAM DECREASES			
-FEWER PLANNED ACCESSION, TRAINING, OPERATIONAL, ROTATIONAL, ENLISTED SEPARATION AND ORGANIZED UNIT MOVES.			-20,645
INDUSTRIALLY FUNDED SERVICES			
MSC - BREAKBULK	-6.7%	-81	-188
MTMC PORT HANDLING	-1.2%	-107	
TOTAL DECREASES			-20,833
FY 1999 DIRECT PROGRAM			\$575,799

**SUMMARY OF PROJECT REQUIREMENT MOVES  
(IN THOUSANDS OF DOLLARS)**

	FY 1986		FY 1987		FY 1988		FY 1989	
	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT	NO. MOVE	AMOUNT	NO. MOVE	AMOUNT
A/ ACCESSION TRAVEL	52,806	\$43,495	58,398	\$50,418	58,036	\$52,997	57,510	\$53,107
TRAINING TRAVEL	17,343	52,804	17,586	62,271	12,896	42,357	12,546	42,006
OPERATIONAL TRAVEL BETWEEN DUTY STATIONS	40,030	149,743	32,361	128,832	30,284	123,494	29,462	122,530
ROTATIONAL TRAVEL TO AND FROM OVERSEAS	27,853	242,832	23,104	199,832	25,859	224,426	25,158	225,334
A/ SEPARATION TRAVEL	61,443	104,274	60,735	113,264	57,335	105,893	52,472	100,007
B/ TRAVEL OF ORGANIZED UNITS	3,047	18,619	4,334	18,584	3,430	16,305	3,447	17,046
IPCOI/UTRIP		0		1,699		1,749		1,768
NON-TEMPORARY STORAGE		9,798		10,964		12,263		11,691
TEMPORARY LODGING EXPENSE		6,999		6,139		5,954		5,810
TOTAL OBLIGATIONS	202,522	628,564	196,518	592,003	187,840	585,438	180,595	579,299
LESS REIMBURSABLES		3,652		3,500		3,500		3,500
TOTAL DIRECT OBLIGATIONS		\$624,912		\$588,503		\$581,938		\$575,799

A/ INCLUDES MIDSHIPMEN  
B/ REFLECTS NUMBER OF FAMILY MOVES



**PERMANENT CHANGE OF STATION TRAVEL**  
**SUMMARY OF REQUIREMENTS BY TYPES OF COSTS**  
**(IN THOUSANDS OF DOLLARS)**

	FY 1996			FY 1997			FY 1998			FY 1999		
	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT	NO. MOVES	AMOUNT
<b>TRAVEL OF MILITARY MEMBERS A/</b>												
MILEAGE AND PER DIEM	205,304	\$92,305	200,432	\$92,087	190,945	\$87,644	183,724	\$84,953				
MAC	13,297	8,757	12,967	8,779	13,316	9,346	12,918	9,426				
COMMERCIAL AIR	24,768	17,658	23,290	16,295	24,731	17,866	23,964	17,708				
<b>TRAVEL OF DEPENDENTS (FAMILY)</b>												
MILEAGE	45,938	30,728	42,935	27,736	40,529	27,379	39,688	26,744				
MAC	5,076	2,674	4,474	2,410	4,871	2,738	4,734	2,768				
COMMERCIAL AIR	13,678	5,555	12,081	4,936	13,166	5,401	12,759	5,348				
<b>TRANSPORTATION OF HOUSEHOLD GOODS</b>												
M TONS - MSC	71,936	373,569	68,797	336,164	73,114	(6,990)	70,867	328,327				
S TONS - MAC	7,587	(25,258)	6,672	(22,419)	7,247	(25,628)	7,027	(7,690)				
HOUSEHOLD GOODS LAND	123,556	(244,163)	109,135	(224,374)	101,640	(207,634)	97,657	(203,376)				
ITCBL	18,698	(96,786)	15,749	(81,753)	17,241	(90,934)	16,655	(89,850)				
COMMERCIAL AIR	735	(1348)	640	(1,219)	694	(1,290)	674	(1,281)				
DISLOCATION ALLOWANCE	46,903	51,589	41,171	57,600	36,861	54,535	35,954	54,793				
TRAILER ALLOWANCE	312	896	298	858	268	786	255	768				
TRANSPORTATION OF POV'S	16,892	18,538	15,021	18,253	14,685	18,168	14,233	20,367				
NON-TEMPORARY STORAGE		9,788		10,964		12,263		11,691				
PORT HANDLING CHARGES		9,498		8,083		9,213		8,828				
TEMPORARY LODGING EXPENSE		6,999		6,139		5,954		5,810				
IPCOT/OTEIP B/				1,699		1,749		1,768				
<b>TOTAL OBLIGATIONS</b>		628,564		592,003		585,438		579,299				
<b>LESS REIMBURSABLES</b>		3,652		3,500		3,500		3,500				
<b>TOTAL DIRECT OBLIGATIONS</b>		\$624,912		\$588,503		\$581,938		\$575,799				

A/ INCLUDES MIDSHIPMEN  
B/ ADJUSTMENT, REALIGNED IPCOTS/OTEIP FROM O&AN TO MPN.

PROJECT: PERMANENT CHANGE OF STATION TRAVEL

PART I - PURPOSE AND SCOPE

FOR EXPENSES INCIDENT TO PERMANENT CHANGE OF STATION TRAVEL OF MILITARY PERSONNEL, INDIVIDUALLY OR AS PART OF ORGANIZED UNITS. PCS TRAVEL COSTS INCLUDE MONETARY ALLOWANCE IN LIEU OF TRANSPORTATION (QUALT); TRANSPORTATION BY COMMON CARRIER (RAIL, BUS, AIR, OR WATER, INCLUDING MILITARY AIRLIFT COMMAND (MAC) AND MILITARY SEALIFT COMMAND (NSC)); PER DIEM ALLOWANCES; ACTUAL AND NECESSARY EXPENSES AND COST OF SUBSISTENCE WHILE IN A TRAVEL STATUS, ISSUANCE OF MEAL TICKETS IN LIEU OF SUBSISTENCE; TRAVEL OF DEPENDENTS AND TRANSPORTATION OF BAGGAGE AND HOUSEHOLD GOODS; PORT HANDLING CHARGES FOR PERSONNEL, THEIR HOUSEHOLD GOODS, BAGGAGE AND PRIVATELY OWNED AUTOMOBILES PASSING THROUGH CONUS MILITARY TRAFFIC MANAGEMENT COMMAND (QIMC) TERMINALS; PAYMENTS OF DISLOCATION ALLOWANCES; AUTHORIZED TRANSPORTATION OF DEPENDENTS AND PERSONAL AND HOUSEHOLD EFFECTS OF DECEASED MILITARY PERSONNEL; COSTS OF CONTRACT PACKING, CRATING, HANDLING AND TEMPORARY STORAGE OF HOUSEHOLD GOODS; COST OF NON-TEMPORARY STORAGE OF HOUSEHOLD GOODS; COST OF TRAILER ALLOWANCES; TRAVEL INCIDENT TO ORGANIZATIONAL MOVEMENTS ON PERMANENT CHANGE OF STATION WHETHER FOR TRAINING OR NON-TRAINING PURPOSES; EXPENSES INCIDENT TO PCS MOVEMENT OF ANY MILITARY GROUP TRAVELING UNDER ONE ORDER FROM THE SAME POINT OF ORIGIN TO THE SAME DESTINATION; MINOR SUPPLIES AND SERVICES INCIDENT TO ORGANIZATIONAL PCS MOVEMENTS, EXPENSES AND ALLOWANCES INCIDENT TO SEPARATION TRAVEL; DISCHARGE OR RELEASE; AND TEMPORARY LODGING EXPENSE. ALSO INCLUDED IS ALL AUTHORIZED TEMPORARY DUTY TRAVEL DIRECTLY RELATED TO AND AN INTEGRAL PART OF PCS MOVEMENTS.

ALL AUTHORIZED PCS TRAVEL EXPENSES PROVIDED FOR UNDER THIS BUDGET PROGRAM ACCOUNT SHALL BE CHARGED TO THE SAME SUBPROGRAM ACCOUNT CITED IN PCS TRAVEL ORDER OF THE MILITARY MEMBER. THE ONLY EXCEPTION IS COST OF CONTRACT COMMERCIAL STORAGE OF HOUSEHOLD GOODS ON A NON-TEMPORARY BASIS. INCLUDED ARE APPROVED RATE CHARGES FOR THE DEFENSE BUSINESS OPERATION FUND SERVICES AND PROJECTED ANNUAL INFLATION FOR COMMERCIALLY PROCURED SERVICES. THE TERM "CONUS" (CONTINENTAL UNITED STATES) REFERRED TO HEREIN APPLIES TO THE UNITED STATES TERRITORY, INCLUDING THE ADJACENT TERRITORIAL WATERS LOCATED WITHIN THE NORTH AMERICAN CONTINENT BETWEEN CANADA AND MEXICO.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE BUDGET REQUEST INCLUDES PAY RAISE INCREASES TO DISLOCATION ALLOWANCES OF 2.4%, 3.0%, 2.8% AND 3.0% EFFECTIVE 1 JANUARY 1986, 1987, 1988 AND 1989 RESPECTIVELY. AUTHORIZED PRICE CHARGES FOR COMMERCIAL AND DEFENSE BUSINESS OPERATION FUND SERVICES ARE ALSO INCLUDED.

(IN THOUSANDS OF DOLLARS)

PROJECT: 5-A ACCESSION TRAVEL

-FY 1999 ESTIMATE \$53,107  
-FY 1998 ESTIMATE \$52,997  
-FY 1997 ESTIMATE \$50,418  
-FY 1996 ESTIMATE \$43,495

PART I - PURPOSE AND SCOPE

(A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS APPOINTED TO A COMMISSIONED GRADE FROM CIVIL LIFE, MILITARY ACADEMIES, RESERVE AND NROTC CALLED OR RECALLED TO EXTENDED ACTIVE DUTY, FROM HOME OR POINT WHERE ORDERS WERE RECEIVED TO FIRST PERMANENT DUTY STATION OR TRAINING SCHOOL OF TWENTY WEEKS OR MORE DURATION AND (2) OFFICERS OR WARRANT OFFICERS APPOINTED OR RECALLED FROM ENLISTED STATUS FROM STATION WHERE THEY SERVED AS ENLISTED TO NEW PERMANENT DUTY STATION OR TRAINING SCHOOL OF TWENTY WEEKS OR MORE DURATION. (INCLUDES OFFICERS APPOINTED FROM ENLISTED STATUS UPON GRADUATION FROM OCS OR BASIC FLYING TRAINING.)

(B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTEES, REENLISTEES, AND PRIOR SERVICE PERSONNEL FROM RECRUITING STATION OR PLACE OF ENLISTMENT TO FIRST PERMANENT DUTY STATION OR TRAINING SCHOOL OF TWENTY WEEKS OR MORE DURATION AND (2) RECALLED ENLISTED RESERVISTS FROM HOME TO FIRST PERMANENT DUTY STATION OR TRAINING SCHOOL OF TWENTY WEEKS OR MORE DURATION.

(C) OFFICER CANDIDATES: COVERS PCS MOVEMENTS OF (1) INDIVIDUALS SELECTED AS ACADEMY MIDSHIPMEN UPON ENTRY INTO THE ACADEMY/PROGRAM AND (2) INDIVIDUALS WHO TRAVEL TO THE ACADEMY BUT FAIL TO PASS THE PHYSICAL ENTRANCE EXAMINATIONS AND RETURN HOME.

PART II - JUSTIFICATION OF FUNDS REQUESTED

PCS MOVES FOR MEMBERS ENTERING ACTIVE DUTY. ACCESSION MOVES ARE DIRECTLY RELATED TO THE NUMBER OF PERSONNEL ENTERING OR RETURNING TO ACTIVE NAVAL SERVICE. THE NUMBER OF PERSONNEL PLANNED TO BE ACCESSED IS DETERMINED BY THE NUMBER OF PERSONNEL WHO ARE EXPECTED TO SEPARATE FROM ACTIVE NAVAL SERVICE BY PLANNED INCREASES OR DECREASES IN PERSONNEL STRENGTH IN A GIVEN FISCAL YEAR. AVERAGE RATES ARE BASED ON STATISTICAL DATA, RATIOS AND PERCENTAGES THAT HAVE BEEN GENERATED FROM ACTUAL PCS MOVES DURING PRIOR ACCOUNTING PERIODS ADJUSTED FOR PROJECTED COST INCREASES/DECREASES.

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS:												
(1) TRAVEL OF MILITARY MEMBER	3,909	\$689.12	\$2,694	4,345	\$688.08	\$2,990	4,535	\$678.83	\$3,078	4,535	\$680.96	\$3,088
(2) TRAVEL OF DEPENDENTS	1,043	521.67	544	1,157	521.37	603	1,208	524.03	633	1,208	526.77	636
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/ITCBL	4,251	1,893.56	8,050	3,718	1,888.37	7,021	4,332	2,017.02	8,738	4,332	2,059.38	8,921
(B) OVERSEAS			143			161			174			189
TOTAL (3)			8,193			7,182			8,912			9,110
(4) DISLOCATION ALLOWANCE	531	1,520.82	808	607	1,929.52	1,171	655	2,051.50	1,344	628	2,112.34	1,327
(5) TRAILER ALLOWANCE	2	2,998.41	6	2	3,061.38	6	2	3,125.67	6	2	3,191.31	6

## (IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
<b>OFFICERS (CONT'D)</b>												
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	177	\$881.40	\$156	191	\$979.98	\$187	199	\$994.36	\$198	199	\$1,145.00	\$228
(B) PORT HANDLING (NIMC)	118	341.78	40	126	317.58	40	131	335.68	44	131	331.66	43
<b>TOTAL (6)</b>			196			227			242			271
(7) PORT HANDLING COSTS (HKG, M. TONS)	331	63.20	21	339	57.76	20	353	61.06	22	353	60.32	21
<b>TOTAL OFFICERS</b>			12,462			12,189			14,237			14,459
<b>ENLISTED</b>												
(1) TRAVEL OF MILITARY MEMBER	47,691	520.09	24,798	52,841	593.66	31,370	52,289	595.53	31,140	51,763	597.44	30,925
(2) TRAVEL OF DEPENDENTS	2,202	391.48	862	2,822	364.17	1,028	2,785	364.00	1,014	2,755	365.19	1,006
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/ITCBL	4,810	956.56	4,601	4,859	985.48	4,788	5,582	994.59	5,552	5,524	1,015.44	5,609
(B) OVERSEAS			164			194			199			208
<b>TOTAL (3)</b>			4,765			4,982			5,751			5,817
(4) DISLOCATION ALLOWANCE	49	869.11	44	24	1139.83	27	32	1214.98	39	31	1251.01	39
(5) TRAILER ALLOWANCE	1	1,728.77	2	1	1,765.07	2	1	1,802.14	2	1	1,839.98	2
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	328	842.99	277	364	949.98	346	358	963.94	345	354	1,110.05	393
(B) PORT HANDLING (NIMC)	306	283.06	87	373	274.15	102	367	290.31	107	363	286.81	104
<b>TOTAL (6)</b>			364			448			452			497
(7) PORT HANDLING COSTS (HKG, M. TONS)	171	63.91	11	122	63.94	8	116	67.99	8	115	67.16	8
<b>TOTAL ENLISTED</b>			30,846			37,865			38,406			38,294
<b>OFFICER CANDIDATES</b>												
(1) TRAVEL OF MILITARY MEMBER												
(A) AVIATION CADETS	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(B) MIDSHIPMEN	1,216	153.78	187	1,212	292.49	354	1,212	292.49	354	1,212	292.49	354
<b>TOTAL OFFICER CANDIDATES</b>			187			354			354			354
<b>TOTAL 5-A</b>			\$43,495			\$50,418			\$52,997			\$53,107

(IN THOUSANDS OF DOLLARS)

PROJECT: 5-B TRAINING TRAVEL

-FY 1999 ESTIMATE \$42,006  
-FY 1998 ESTIMATE \$42,357  
-FY 1997 ESTIMATE \$62,271  
-FY 1996 ESTIMATE \$52,804

PART I - PURPOSE AND SCOPE

- (A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS AND WARRANT OFFICERS FROM PREVIOUS CONUS PERMANENT DUTY STATION TO FORMAL SERVICE OR CIVILIAN SCHOOLS, INCLUDING TECHNICAL SCHOOLS, FLYING TRAINING SCHOOLS, FACTORY TRAINING, AND OTHER APPROVED COURSES OF INSTRUCTION, OF 20 WEEKS DURATION OF MORE; AND (2) OFFICER AND WARRANT OFFICER SCHOOL GRADUATES AND EELINEES FROM SCHOOL TO THEIR NEXT PERMANENT CONUS DUTY STATION. (EXCLUDES ACADEMY GRADUATES, OCS, NROTC GRADUATES AND OTHERS CHARGEABLE TO ACCESSION TRAVEL.)
- (B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTED PERSONNEL FROM PREVIOUS CONUS PERMANENT DUTY STATION TO FORMAL SERVICE OR CIVILIAN SCHOOLS, INCLUDING TECHNICAL SCHOOLS, FLYING TRAINING SCHOOLS, FACTORY TRAINING, AND OTHER APPROVED COURSES OF INSTRUCTION, OF 20 WEEKS DURATION OR MORE; (2) ENLISTED SCHOOL GRADUATES AND EELINEES FROM SCHOOL TO THEIR NEXT CONUS PERMANENT DUTY STATION; AND (3) ENLISTED PERSONNEL ORDERED TO TRAINING LEADING TO A COMMISSION IF SUCH TRAINING PERIOD IS OF 20 WEEKS DURATION OR MORE.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE ESTIMATE IS BASED ON PLANNED TRAINING INPUT FOR OFFICER AND ENLISTED PERSONNEL THAT ARE NECESSARY TO MAINTAIN THE NEEDED SKILL LEVELS AND EDUCATIONAL REQUIREMENTS.

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1996		FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE
OFFICERS:								
(1) TRAVEL OF MILITARY MEMBER	6,833	\$659.77	\$4,508	6,785	\$660.80	\$4,484	4,580	\$662.07
(2) TRAVEL OF DEPENDENTS	3,205	651.13	2,087	3,182	651.93	2,074	2,148	652.89
(3) TRANSPORTATION OF HOUSEHOLD GOODS								
(A) LAND/ITGBL	5,969	3,127.32	18,667	6,882	3,177.00	21,864	4,185	3,225.64
(B) OVERSEAS			377			386		
TOTAL (3)			19,044			22,250		
(4) DISLOCATION ALLOWANCE	5,910	1,520.82	8,988	5,869	1,929.52	11,324	3,706	2,051.50
(5) TRAILER ALLOWANCE	3	3,955.76	12	3	4,038.84	12	2	4,123.65
							8	2 4,210.25
								13,683
							3,605	2,112.34
								7,615
								13,404
								279

## (IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
<b>OFFICERS (CONT'D)</b>												
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	176	\$897.69	\$158	172	\$1,003.61	\$173	116	\$1,018.32	\$118	113	\$1,172.59	\$133
(B) PORT HANDLING (MTMC)	148	368.67	55	145	343.60	50	98	363.19	36	96	358.83	34
TOTAL (6)			213			223			154			167
(7) PORT HANDLING COSTS (HHG, M.TONS)	546	62.83	34	543	58.65	32	366	61.99	23	356	61.25	22
TOTAL OFFICERS			34,886			40,369			25,992			25,817
<b>ENLISTED</b>												
(1) TRAVEL OF MILITARY MEMBER	10,510	553.25	5,815	10,801	554.03	5,984	8,316	555.06	4,616	8,091	556.13	4,500
(2) TRAVEL OF DEPENDENTS	3,229	475.24	1,535	3,319	475.35	1,578	2,555	475.46	1,215	2,486	475.57	1,182
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/ITCBL	4,047	1,637.93	6,629	5,518	1,667.97	9,204	3,732	1,707.69	6,373	3,632	1,743.55	6,333
(B) OVERSEAS			27			30			24			25
TOTAL (3)			6,656			9,234			6,397			6,358
(4) DISLOCATION ALLOWANCE	4,249	899.11	3,820	4,387	1139.83	4,978	3,341	1214.98	4,059	3,250	1251.01	4,066
(5) TRAILER ALLOWANCE	5	3,295.52	16	5	3,364.72	17	4	3,435.38	14	4	3,507.53	14
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	68	841.64	57	68	940.95	64	52	954.73	50	51	1,099.38	56
(B) PORT HANDLING (MTMC)	62	222.36	14	64	207.24	13	49	219.06	11	48	216.43	10
TOTAL (6)			71			77			61			66
(7) PORT HANDLING COSTS (HHG, M.TONS)	122	36.98	5	125	34.47	4	96	36.43	3	94	35.99	3
TOTAL ENLISTED			17,918			21,872			16,365			16,189
TOTAL 5-B			\$52,804			\$62,271			\$42,357			\$42,006

(IN THOUSANDS OF DOLLARS)

PROJECT: 5-C OPERATIONAL TRAVEL

-FY 1999 ESTIMATE \$122,530  
-FY 1998 ESTIMATE \$123,494  
-FY 1997 ESTIMATE \$128,832  
-FY 1996 ESTIMATE \$149,743

PART I - PURPOSE AND SCOPE

- (A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS, AND WARRANT OFFICERS TO AND FROM PERMANENT DUTY STATIONS LOCATED WITHIN THE UNITED STATES; (2) OFFICERS AND WARRANT OFFICERS TO AND FROM PERMANENT DUTY STATIONS LOCATED WITHIN AN OVERSEAS AREA WHEN NO TRANSOCEANIC TRAVEL IS INVOLVED; AND (3) DEPENDENTS, HOUSEHOLD GOODS, PERSONAL EFFECTS, TRAILER ALLOWANCES AND PRIVATELY OWNED VEHICLES OF OFFICERS AND WARRANT OFFICERS WHO ARE INTERNED, MISSING, OR CAPTURED WHEN NO TRANSOCEANIC TRAVEL IS INVOLVED. OCEANIC TRAVEL BY MEMBER FROM HOMEPORT TO JOIN DEPLOYED UNIT IS PROPER.
- (B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTED PERSONNEL TO AND FROM PERMANENT DUTY STATIONS LOCATED WITHIN THE UNITED STATES; (2) ENLISTED PERSONNEL TO AND FROM PERMANENT DUTY STATIONS WITHIN AN OVERSEAS AREA WHEN NO TRANSOCEANIC TRAVEL IS INVOLVED, AND (3) DEPENDENTS, HOUSEHOLD GOODS, PERSONAL EFFECTS, TRAILER ALLOWANCES, AND PRIVATELY OWNED VEHICLES OF ENLISTED PERSONNEL WHO ARE INTERNED, MISSING, OR CAPTURED WHEN NO TRANSOCEANIC TRAVEL IS INVOLVED. OCEANIC TRAVEL BY MEMBER FROM HOMEPORT TO JOIN DEPLOYED UNIT IS PROPER.

PART II - JUSTIFICATION OF FUNDS REQUESTED

OPERATIONAL MOVES ARE PCS MOVES FOR INDIVIDUALS GOING FROM ONE DUTY STATION TO ANOTHER WITHIN THE SAME THEATER WITHOUT TRANSOCEANIC TRAVEL (E.G., CONUS TO CONUS OR EUROPEAN TO EUROPEAN). OPERATIONAL MOVES ALSO INCLUDE INDIVIDUALS REASSIGNED WITHIN A GIVEN THEATER RESULTING FROM FORCE STRUCTURE CHANGES. OPERATIONAL MOVES ARE PRIMARILY A FUNCTION OF REQUIREMENTS TO BALANCE GRADE AND SKILL INVENTORIES WITH VACANCIES. AVERAGE RATES ARE BASED ON STATISTICAL DATA, RATIOS AND PERCENTAGES THAT HAVE BEEN GENERATED FROM ACTUAL PCS MOVES DURING PRIOR ACCOUNTING PERIODS ADJUSTED FOR PROJECTED PRICE CHANGES.

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS:												
(1) TRAVEL OF MILITARY MEMBER	6,499	\$653.84	\$4,249	5,292	\$656.20	\$3,473	6,081	\$661.00	\$4,020	5,916	\$663.88	\$3,928
(2) TRAVEL OF DEPENDENTS	3,378	859.27	2,903	2,751	860.63	2,368	3,161	862.28	2,726	3,075	863.99	2,657
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/ITCBL	5,525	4,265.15	23,565	5,286	4,356.12	23,070	5,541	4,347.32	24,089	5,391	4,438.62	23,929
(B) OVERSEAS			1,297			1,081			1,299			1,335
TOTAL (3)			24,862			24,151			25,388			25,264
(4) DISLOCATION ALLOWANCE	4,595	1,520.82	6,988	3,742	1,929.52	7,220	3,991	2,051.50	8,188	3,882	2,112.34	8,200
(5) TRAILER ALLOWANCE	5	3,128.34	16	4	3,194.03	13	5	3,261.11	16	5	3,329.59	17

## (IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS (CONT'D)												
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	440	\$1,191.50	\$524	353	\$1,332.09	\$470	405	\$1,351.61	\$547	394	\$1,556.38	\$613
(B) PORT HANDLING (MHC)	349	413.90	144	279	385.75	108	320	407.74	130	312	402.85	126
TOTAL (6)			668			578			677			739
(7) PORT HANDLING COSTS												
(HHC, M.TONS)	1,387	60.60	84	1,103	56.48	62	1,268	59.70	76	1,233	58.98	73
TOTAL OFFICERS			39,770			37,865			41,091			40,878
ENLISTED												
(1) TRAVEL OF MILITARY MEMBER	33,531	648.38	21,741	27,069	649.97	17,594	24,203	653.25	15,811	23,546	655.30	15,430
(2) TRAVEL OF DEPENDENTS	13,206	560.81	7,406	10,661	562.26	5,994	9,532	563.81	5,374	9,274	565.38	5,243
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/ITCBL	19,789	3,376.28	66,813	15,478	3,447.40	53,359	13,772	3,522.86	48,517	13,398	3,596.84	48,190
(B) OVERSEAS			811			672			628			644
TOTAL (3)			67,024			54,031			49,145			48,834
(4) DISLOCATION ALLOWANCE	13,591	899.11	12,220	10,972	1139.83	12,506	9,304	1214.88	11,304	9,051	1251.01	11,323
(5) TRAILER ALLOWANCE	97	2,840.10	275	78	2,899.74	226	70	2,960.63	207	68	3,022.81	206
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	345	1,664.73	574	279	1,861.17	519	249	1,888.44	470	243	2,174.54	528
(B) PORT HANDLING (MHC)	246	363.76	89	196	339.02	66	175	358.35	63	170	354.05	60
TOTAL (6)			663			585			533			588
(7) PORT HANDLING COSTS												
(HHC, M.TONS)	620	70.83	44	470	66.02	31	420	69.78	29	409	68.94	28
TOTAL ENLISTED			109,973			80,867			82,403			81,652
TOTAL 5-C			\$149,743			\$128,832			\$123,494			\$122,530



(IN THOUSANDS OF DOLLARS)

PROJECT: 5-D ROTATIONAL TRAVEL

-FY 1999 ESTIMATE \$225,334  
-FY 1998 ESTIMATE \$224,426  
-FY 1997 ESTIMATE \$199,832  
-FY 1996 ESTIMATE \$242,832

PART I - PURPOSE AND SCOPE

- (A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS AND WARRANT OFFICERS FROM PERMANENT DUTY STATIONS IN CONUS TO PERMANENT DUTY STATIONS OVERSEAS; (2) OFFICERS AND WARRANT OFFICERS FROM PERMANENT DUTY STATIONS OVERSEAS TO PERMANENT DUTY STATIONS IN CONUS; (3) OFFICERS AND WARRANT OFFICERS FROM PERMANENT DUTY STATIONS IN AN OVERSEAS AREA TO PERMANENT DUTY STATIONS IN ANOTHER OVERSEAS AREA WHEN TRANSOCEANIC TRAVEL IS INVOLVED; AND (4) DEPENDENTS, HOUSEHOLD GOODS, PERSONAL EFFECTS, TRAILER ALLOWANCES AND PRIVATELY OWNED VEHICLES OF OFFICERS AND WARRANT OFFICERS WHO ARE INTERNED, MISSING, OR CAPTURED WHEN TRANSOCEANIC TRAVEL IS INVOLVED.
- (B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTED PERSONNEL FROM PERMANENT DUTY STATIONS IN CONUS TO PERMANENT DUTY STATIONS OVERSEAS; (2) ENLISTED PERSONNEL FROM DUTY STATIONS OVERSEAS TO PERMANENT DUTY STATIONS IN CONUS; (3) ENLISTED PERSONNEL FROM PERMANENT DUTY STATIONS IN ONE OVERSEAS AREA TO PERMANENT DUTY STATIONS IN ANOTHER OVERSEAS AREA WHEN TRANSOCEANIC TRAVEL IS INVOLVED; AND (4) DEPENDENTS, HOUSEHOLD GOODS, PERSONAL EFFECTS, TRAILER ALLOWANCES AND PRIVATELY OWNED VEHICLES OF ENLISTED PERSONNEL WHO ARE INTERNED, MISSING, OR CAPTURED WHEN TRANSOCEANIC TRAVEL IS INVOLVED.

PART II - JUSTIFICATION OF FUNDS REQUESTED

ROTATIONAL TRAVEL MOVES ARE PCS MOVES FOR PERSONNEL GOING FROM CONUS TO AN OVERSEAS ASSIGNMENT, OR RETURNING FROM AN OVERSEAS ASSIGNMENT TO CONUS. ROTATIONAL MOVES ARE A FUNCTION OF OVERSEAS STRENGTHS IN ACCOMPANIED (LONG TOUR) AREAS AND IN UNACCOMPANIED (SHORT TOUR) AREAS. AVERAGE RATES ARE BASED ON STATISTICAL DATA, RATIOS AND PERCENTAGES THAT HAVE BEEN GENERATED FROM ACTUAL PCS MOVES DURING PRIOR ACCOUNTING PERIODS ADJUSTED FOR PROJECTED PRICE CHANGES.

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1996		FY 1997		FY 1998		FY 1999	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
OFFICERS:								
(1) TRAVEL OF MILITARY MEMBER	4,728	\$1,320.86	3,583	\$1,336.17	3,868	\$1,352.99	3,763	\$1,370.26
(2) TRAVEL OF DEPENDENTS	2,861	1,735.87	2,168	1779.25	2,340	1793.76	2,277	1808.69
(3) TRANSPORTATION OF HOUSEHOLD GOODS								
(A) LAND/TTGRL	12,189	2,906.66	8,868	2,967.60	8,681	3,132.08	8,446	3,197.86
(B) OVERSEAS		35,429		26,317		27,190		27,009
		7,464		5,800		6,537		6,739
TOTAL (3)		42,893		32,117		33,727		33,748
(4) DISLOCATION ALLOWANCE	3,579	1,520.82	2,712	1,929.52	2,888	2,051.50	2,810	2,112.34
(5) TRAILER ALLOWANCE	5	4,117.00	4	4,203.45	4	4,291.73	4	4,381.85
		21		17		17		18

## (IN THOUSANDS OF DOLLARS)

	FY 1986			FY 1987			FY 1988			FY 1989		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS (CONT'D)												
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) MSC	2,618	\$1,262.02	\$3,304	1,949	\$1,437.68	\$2,802	1,777	\$1,468.31	\$2,606	1,727	\$1,696.44	\$2,930
(B) PORT HANDLING (OTMC)	2,205	432.01	953	1,645	402.64	662	1,775	425.59	755	1,727	420.48	726
TOTAL (6)			4,257			3,464			3,361			3,656
(7) PORT HANDLING COSTS (HHC, M.TONS)	9,849	59.85	589	7,357	55.78	410	7,943	58.98	468	7,727	58.26	450
TOTAL OFFICERS			64,414			49,885			52,928			53,082
ENLISTED												
(1) TRAVEL OF MILITARY MEMBER	23,125	1116.25	25,813	19,521	1131.15	22,081	21,991	1148.15	25,249	21,395	1165.65	24,939
(2) TRAVEL OF DEPENDENTS	10,439	1487.45	15,527	8,812	1539.54	13,566	9,927	1552.27	15,409	9,658	1565.39	15,119
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/ITCBL	41,459	2,184.94	90,585	32,069	2,229.49	71,488	35,976	2,309.54	83,088	35,001	2,358.04	82,534
(B) OVERSEAS			19,262			16,780			19,702			20,525
TOTAL (3)			109,847			88,288			102,790			103,059
(4) DISLOCATION ALLOWANCE	11,311	899.11	10,170	9,548	1139.83	10,883	10,193	1214.98	12,384	9,917	1251.01	12,406
(5) TRAILER ALLOWANCE	12	3,032.06	36	10	3,095.73	31	11	3,160.74	35	11	3,227.12	35
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) MSC	10,389	1,068.45	11,100	8,725	1,205.97	10,522	8,298	1,227.02	10,182	8,068	1,420.09	11,457
(B) PORT HANDLING (OTMC)	8,374	388.75	3,239	6,931	360.45	2,498	7,808	380.99	2,975	7,596	376.42	2,859
TOTAL (6)			14,339			13,020			13,157			14,316
(7) PORT HANDLING COSTS (HHC, M.TONS)	46,081	58.28	2,686	38,254	54.32	2,078	43,094	57.41	2,474	41,926	56.72	2,378
TOTAL ENLISTED			178,418			149,947			171,498			172,252
TOTAL 5-D			\$242,832			\$199,832			\$224,426			\$225,334

(IN THOUSANDS OF DOLLARS)

PROJECT: 5-E SEPARATION TRAVEL

-FY 1999 ESTIMATE \$100,007  
-FY 1998 ESTIMATE \$105,893  
-FY 1997 ESTIMATE \$113,264  
-FY 1996 ESTIMATE \$104,274

PART I - PURPOSE AND SCOPE

- (A) OFFICERS: COVERS PCS MOVEMENTS OF (1) OFFICERS AND WARRANT OFFICERS UPON RELEASE OR SEPARATION FROM THE SERVICE FROM LAST PERMANENT DUTY STATION TO HOME OF RECORD OR ENTRY INTO SERVICE OR TO HOME OF SELECTION WHEN AUTHORIZED BY LAW; AND (2) DEPENDENTS, HOUSEHOLD GOODS, TRAILER ALLOWANCES AND PERSONAL EFFECTS OF OFFICERS AND WARRANT OFFICERS WHO ARE DECEASED.
- (B) ENLISTED: COVERS PCS MOVEMENTS OF (1) ENLISTED PERSONNEL UPON RELEASE OR SEPARATION FROM THE SERVICE FROM LAST PERMANENT DUTY STATION TO HOME OF RECORD OR POINT OF ENTRY INTO SERVICE, OR TO HOME OF SELECTION WHEN AUTHORIZED BY LAW; AND (2) DEPENDENTS, HOUSEHOLD GOODS, TRAILER ALLOWANCES AND PERSONAL EFFECTS OF ENLISTED PERSONNEL WHO ARE DECEASED.
- (C) OFFICER CANDIDATES: COVERS PCS MOVEMENT UPON SEPARATION OF ACADEMY MIDSHIPMEN OR AVIATION CADETS TO HOME OF RECORD OR POINT OF ENTRY INTO SERVICE.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE ESTIMATE IS BASED ON PLANNED PERSONNEL LOSSES AND RETIREMENTS.

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS:												
(1) TRAVEL OF MILITARY MEMBER	5,216	\$523.73	\$2,732	5,187	\$559.23	\$2,901	4,746	\$457.08	\$2,169	4,857	\$459.96	\$2,234
(2) TRAVEL OF DEPENDENTS	2,849	459.07	1,308	2,806	477.15	1,339	2,567	479.45	1,231	2,627	481.86	1,266
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/ITCBL	6,689	1,999.32	13,373	7,141	2,094.92	14,960	4,308	2,266.61	9,765	4,409	2,314.33	10,204
(B) OVERSEAS			1,289			1,811			1,710			1,911
TOTAL (3)			14,662			16,771			11,475			12,115
(4) DISLOCATION ALLOWANCE	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(5) TRAILER ALLOWANCE	26	1,258.74	33	24	1,285.17	31	22	1,312.16	29	23	1,339.72	31

## (IN THOUSANDS OF DOLLARS)

	FY 1986			FY 1987			FY 1988			FY 1989		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
<b>OFFICERS (CONT'D)</b>												
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	476	\$854.11	\$454	587	\$1,077.05	\$632	537	\$1,092.82	\$587	550	\$1,258.39	\$692
(B) PORT HANDLING (MNC)	377	388.43	146	466	373.26	174	426	394.53	168	436	389.80	170
TOTAL (6)			600			806			755			862
(7) PORT HANDLING COSTS												
(HHG, M.TONS)	7,135	58.38	417	9,389	54.88	516	8,588	58.11	499	8,791	57.42	505
TOTAL OFFICERS			19,752			22,364			16,158			17,013
<b>ENLISTED</b>												
(1) TRAVEL OF MILITARY MEMBER	58,153	316.19	17,755	55,211	339.57	18,748	52,301	338.87	17,723	47,327	340.29	16,105
(2) TRAVEL OF DEPENDENTS	478	932.27	446	924	886.44	801	875	884.30	774	792	902.68	715
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/TOBEL	31,164	2,018.62	62,908	29,788	2,178.17	64,905	28,731	2,260.50	64,946	25,998	2,307.96	60,002
(B) OVERSEAS			1,420			2,921			2,869			2,813
TOTAL (3)			64,328			67,826			67,815			62,815
(4) DISLOCATION ALLOWANCE	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(5) TRAILER ALLOWANCE	127	3,224.45	410	119	3,257.64	388	112	3,326.05	373	102	3,395.90	346
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	986	852.93	940	1,877	1,047.65	1,966	1,779	1,062.99	1,891	1,609	1,224.04	1,969
(B) PORT HANDLING (MNC)	875	325.90	285	1,624	303.28	493	1,539	320.56	493	1,393	316.72	441
TOTAL (6)			1,225			2,459			2,384			2,410
(7) PORT HANDLING COSTS												
(HHG, M.TONS)	5,708	57.25	327	11,170	53.41	597	10,582	56.45	597	9,575	55.78	534
TOTAL ENLISTED			84,491			90,819			89,666			82,925
<b>OFFICER CANDIDATES</b>												
(1) TRAVEL OF MILITARY MEMBER												
(A) AVIATION CADETS	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(B) MIDSHIPMEN	74	418.92	31	337	239.05	81	288	239.05	69	288	239.05	69
TOTAL OFFICER CANDIDATES			31			81			69			69
<b>TOTAL 5-E</b>			\$104,274			\$113,264			\$105,893			\$100,007

(IN THOUSANDS OF DOLLARS)

PROJECT: 5-F TRAVEL OF ORGANIZED UNITS

-FY 1999	ESTIMATE	\$17,046
-FY 1998	ESTIMATE	\$16,305
-FY 1997	ESTIMATE	\$18,584
-FY 1996	ESTIMATE	\$18,619

PART I - PURPOSE AND SCOPE

- (A) OFFICERS: COVERS PCS MOVEMENTS, CONUS OR OVERSEAS, OF OFFICERS AND WARRANT OFFICERS DIRECTED TO MOVE AS MEMBERS OF AN ORGANIZED UNIT MOVEMENT.
- (B) ENLISTED: COVERS PCS MOVEMENTS, CONUS OR OVERSEAS, OF ENLISTED PERSONNEL DIRECTED TO MOVE AS MEMBERS OF AN ORGANIZED UNIT MOVEMENT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

ORGANIZED UNIT MOVES ARE PCS MOVES ASSOCIATED WITH TRANSFERRING THE FAMILIES AND BELONGINGS OF PERSONNEL ASSIGNED TO UNITS WHICH ARE RELOCATED FROM ONE STATION TO ANOTHER. THESE MOVES ARE A FUNCTION OF KNOWN CHANGES IN PROJECTED FORCE POSITIONING DUE TO OPERATIONAL REQUIREMENTS. AVERAGE RATES ARE BASED ON A POINT-TO-POINT PRICING OF EACH UNIT MOVE UTILIZING STATISTICAL DATA, RATIOS, AND PERCENTAGES THAT HAVE BEEN GENERATED FROM ACTUAL PCS MOVES DURING A GIVEN PERIOD.

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
OFFICERS:	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
(1) TRAVEL OF MILITARY MEMBER	712	\$440.90	\$314	1,188	\$341.66	\$406	826	\$481.84	\$398	934	\$481.97	\$450
(2) TRAVEL OF DEPENDENTS	341	353.17	120	542	362.58	197	403	352.17	142	456	353.52	161
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/ITCBL	839	1,999.04	1,877	811	1,864.13	1,512	819	1,837.70	1,505	926	1,875.83	1,737
(B) OVERSEAS			48			32			73			87
TOTAL (3)			1,925			1,544			1,578			1,824
(4) DISLOCATION ALLOWANCE	533	1,520.82	811	585	1,929.52	1,129	414	2,051.50	849	469	2,112.34	991
(5) TRAILER ALLOWANCE	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0

## (IN THOUSANDS OF DOLLARS)

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
<b>OFFICERS (CONT'D)</b>												
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	105	\$1,155.86	\$121	75	\$1,222.71	\$92	145	\$1,320.10	\$191	164	\$1,520.60	\$249
(B) PORT HANDLING (MHC)	122	211.46	26	116	172.61	20	164	213.19	35	185	209.67	39
TOTAL (6)			147			112			226			288
(7) PORT HANDLING COSTS (HHC, M.TONS)	45	25.71	1	15	23.97	0	36	25.33	1	41	25.03	1
TOTAL OFFICERS			3,318			3,388			3,194			3,715
<b>ENLISTED</b>												
(1) TRAVEL OF MILITARY MEMBER	5,117	359.95	1,842	7,061	270.18	1,908	5,709	345.57	1,973	5,641	346.42	1,954
(2) TRAVEL OF DEPENDENTS	2,706	463.25	1,254	3,792	442.32	1,677	3,027	462.88	1,401	2,991	464.76	1,390
(3) TRANSPORTATION OF HOUSEHOLD GOODS												
(A) LAND/ITCBL	5,420	1,558.68	8,448	4,447	1,715.41	7,628	3,222	1,646.40	5,305	3,185	1,680.85	5,354
(B) OVERSEAS			315			159			331			346
TOTAL (3)			8,763			7,787			5,636			5,700
(4) DISLOCATION ALLOWANCE	2,554	899.11	2,296	2,746	1138.83	3,130	2,337	1214.98	2,839	2,310	1251.01	2,890
(5) TRAILER ALLOWANCE	30	2,428.31	73	47	2,447.47	115	34	2,525.05	86	34	2,578.12	88
(6) PRIVATELY OWNED VEHICLES (POV)												
(A) NSC	783	1,112.90	871	381	1,260.73	480	769	1,275.89	981	761	1,469.43	1,118
(B) PORT HANDLING (MHC)	806	225.82	182	458	195.57	90	795	221.50	176	787	218.38	172
TOTAL (6)			1,053			570			1,157			1,290
(7) PORT HANDLING COSTS (HHC, M.TONS)	429	46.26	20	200	43.11	9	423	45.57	19	418	45.02	19
TOTAL ENLISTED			15,301			15,186			13,111			13,331
TOTAL 5-F			\$18,619			\$18,584			\$16,305			\$17,046

(IN THOUSANDS OF DOLLARS)

-FY 1989 ESTIMATE \$1,190  
 -FY 1988 ESTIMATE \$1,175  
 -FY 1987 ESTIMATE \$1,105  
 -FY 1986 ESTIMATE \$0

PROJECT: 5 IN-PLACE CONSECUTIVE OVERSEAS TOUR (IPCOT)

PART I - PURPOSE AND SCOPE

COVERS THE COST OF MEMBERS/DEPENDENTS TRAVEL IN CONNECTION WITH LEAVE TAKEN BETWEEN CONSECUTIVE IN-PLACE OVERSEAS DUTY ASSIGNMENTS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THIS ENTITLEMENT IS FOR IN-PLACE CONSECUTIVE OVERSEAS TOUR LEAVE TRAVEL AND TRANSPORTATION ALLOWANCES FOR THE MEMBER AND COMMAND SPONSORED DEPENDENTS WHO ARE AUTHORIZED TO AND ACCOMPANY THE MEMBER AT THE DUTY STATIONS. STARTING IN FY 1987, FUNDING FOR IPCOT TRANSFERRED FROM O&A,N TO THE MILITARY PERSONNEL, NAVY APPROPRIATION. IPCOT FUNDING FOR FY 1986 IS DISPLAYED IN THE O&A,N BUDGET EXHIBIT

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1986			FY 1987			FY 1988			FY 1989		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS			\$0	109	\$1,141.29	\$123	113	\$1,167.42	\$132	112	\$1,194.27	\$134
ENLISTED			\$0	858	\$1,142.83	\$981	893	\$1,167.97	\$1,043	884	\$1,194.83	\$1,056
TOTAL 5			\$0	967		\$1,105	1,006		\$1,175	996		\$1,190

(IN THOUSANDS OF DOLLARS)

PROJECT: 5 OVERSEAS TOUR EXTENSION INCENTIVES PROGRAM (OTRIP)

-FY 1999 ESTIMATE \$578  
-FY 1998 ESTIMATE \$574  
-FY 1997 ESTIMATE \$594  
-FY 1996 ESTIMATE \$0

PART I - PURPOSE AND SCOPE

THE OTRIP IS OFFERED TO ELIGIBLE ENLISTED PERSONNEL FOR EXTENSION OF THEIR CURRENT PLANNED ROTATION DATE FOR 12 MONTHS OR MORE OUTSIDE CONTINENTAL UNITED STATES.

PART II - JUSTIFICATION OF FUNDS REQUESTED

ENTITLEMENT TO THE OVERSEAS TOUR EXTENSION INCENTIVE OCCURS WHEN MEMBERS OF THE ARMED FORCES ARE AUTHORIZED REST AND RECUPERATIVE ABSENCE OF NOT MORE THAN 15 DAYS, ROUND TRIP TRANSPORTATION AT GOVERNMENT EXPENSE FROM THE LOCATION OF THE EXTENDED TOUR OF DUTY TO THE PORT OF DEBARKATION AND RETURN DURING THE PERIOD OF THE EXTENSION. STARTING IN FY 1997, OTRIP TRANSFERRED FORM O&M,N TO THE MILITARY PERSONNEL, NAVY APPROPRIATION. OTRIP FUNDING FOR FY 1996 IS DISPLAYED IN THE O&M,N BUDGET EXHIBITS.

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ENLISTED			\$0	396	\$1,500.00	\$594	374	\$1,533.00	\$574	369	\$1,568.00	\$578
TOTAL 5			\$0	396		\$594	374		\$574	369		\$578



(IN THOUSANDS OF DOLLARS)

PROJECT: 5-G NONTEMPORARY STORAGE

-FY 1999	ESTIMATE	\$11,691
-FY 1998	ESTIMATE	\$12,263
-FY 1997	ESTIMATE	\$10,964
-FY 1996	ESTIMATE	\$9,798

PART I - PURPOSE AND SCOPE

COVERS THE COST OF HOUSEHOLD GOODS PLACED IN STORAGE AT GOVERNMENT EXPENSE OR MOVED TO ANOTHER DESTINATION UNDER THE PROVISIONS OF 37 U.S.C. 406 WHEN A MEMBER IS ORDERED TO A DUTY STATION TO WHICH THE SHIPMENT OF HOUSEHOLD GOODS IS NOT AUTHORIZED.

PART II - JUSTIFICATION OF FUNDS REQUESTED

ENTITLEMENT FOR NON-TEMPORARY STORAGE EXISTS WHEN PERSONAL PROPERTY SHIPMENT IS NOT AUTHORIZED OR ELECTED. THE NUMBER PLANNED IS DETERMINED BY HISTORICAL ACTUAL DATA OF MEMBERS THAT EXERCISED THE ENTITLEMENT. AVERAGE RATES ARE ALSO BASED ON STATISTICAL DATA ADJUSTED FOR PROJECTED COST INCREASES/DECREASES.

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
NONTEMPORARY STORAGE			\$9,798			\$10,964			\$12,263			\$11,691
TOTAL 5-G			\$9,798			\$10,964			\$12,263			\$11,691

(IN THOUSANDS OF DOLLARS)

PROJECT: 5-H TEMPORARY LODGING EXPENSE

-FY 1999 ESTIMATE \$5,810  
-FY 1998 ESTIMATE \$5,954  
-FY 1997 ESTIMATE \$6,139  
-FY 1996 ESTIMATE \$6,999

PART I - PURPOSE AND SCOPE

FOR REIMBURSEMENT OF EXPENSES INCURRED AS A RESULT OF A PCS MOVE, NOT TO EXCEED \$110 PER DAY FOR UP TO TEN DAYS UNDER THE PROVISIONS OF 37 USC 404D.  
LIMITED TO FIVE DAYS WITHIN CONUS WHEN MEMBER MOVES FROM CONUS TO OVERSEAS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

DEFRAYS SOME OF THE EXPENSES OF TEMPORARY LODGING INCURRED WHEN RELOCATING BETWEEN PERMANENT DUTY STATIONS. RATIOS AND PERCENTAGES OF PERSONNEL TO USE THE ENTITLEMENT ARE BASED ON STATISTICAL DATA OF PREVIOUS ENTITLEMENTS USED IN ACTUAL MOVES. AVERAGE RATES ARE BASED ON STATISTICAL DATA FROM ACTUAL PCS MOVES DURING PRIOR ACCOUNTING PERIODS.

FUND REQUIREMENTS ARE IDENTIFIED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
TEMPORARY LODGING EXPENSE			\$6,999			\$6,139			\$5,954			\$5,810
TOTAL 5-H			6,999			6,139			5,954			5,810
TOTAL OBLIGATIONS			628,564			592,003			585,438			579,299
LESS REIMBURSABLE OBLIGATIONS			3,652			3,500			3,500			3,500
TOTAL DIRECT OBLIGATIONS			\$624,912			\$588,503			\$581,938			\$575,799

OTHER MILITARY PERSONNEL COSTS  
SCHEDULE OF INCREASES AND DECREASES  
(IN THOUSANDS OF DOLLARS)

FY 1997 DIRECT PROGRAM-----		117,552
INCREASES:		
APPREHENSION OF DESERTERS-----	17	
-INCREASE DUE TO COST GROWTH (INFLATION)		
TOTAL INCREASES -----	17	
DECREASES:		
UNEMPLOYMENT COMPENSATION-----		-4,900
-DECREASE IN NUMBER OF MEMBERS RECEIVING BENEFITS		-7,321
-INCREASE IN DEPARTMENT OF LABOR RATES		2,421
EDUCATIONAL BENEFITS-----		-6,473
-DECREASE IN NUMBER OF PARTICIPANTS IN THE COLLEGE FUND PROGRAM		-505
-DECREASE IN RATES		-3,761
-DECREASE IN THE MONTGOMERY G.I. BILL		-2,207
INTEREST ON SAVINGS DEPOSITS-----		-10
-DECREASE IN NUMBER OF PARTICIPANTS		-10
SURVIVORS' BENEFITS-----		-252
-DECREASE DUE TO REVISED ESTIMATES BY DEPARTMENT OF VETERANS AFFAIRS		-252
TOTAL DECREASES -----		-11,635
FY 1998 DIRECT PROGRAM-----		105,934
INCREASES:		
APPREHENSION OF DESERTERS-----	19	
-INCREASE DUE TO COST GROWTH		
TOTAL INCREASES -----	19	
DECREASES:		
UNEMPLOYMENT COMPENSATION-----		-3,430
-DECREASE IN NUMBER OF MEMBERS RECEIVING BENEFITS		-6,129
-INCREASE IN DEPARTMENT OF LABOR RATE		2,699
INTEREST ON SAVINGS DEPOSITS-----		-10
-DECREASE IN NUMBER OF PARTICIPANTS		-10
SURVIVORS' BENEFITS-----		-252
-DECREASE DUE TO REVISED ESTIMATES BY DEPARTMENT OF VETERANS AFFAIRS		-252
TOTAL DECREASES -----		-3,692
FY 1999 DIRECT PROGRAM-----		102,261

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-A APPREHENSION OF MILITARY DESERTERS,  
ABSENTEES, AND ESCAPED MILITARY PRISONERS

-FY 1999	ESTIMATE	\$826
-FY 1998	ESTIMATE	\$807
-FY 1997	ESTIMATE	\$790
-FY 1996	ESTIMATE	\$737

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED ARE TO PROVIDE FOR EXPENSES IN CONNECTION WITH THE APPREHENSION OF DESERTERS, ABSENTEES, AND ESCAPED MILITARY PRISONERS AND FOR THEIR DELIVERY TO MILITARY CONTROL, INCLUDING THE COST OF SUBSISTENCE FURNISHED DURING THE PERIOD AN ENLISTED MEMBER IS DETAINED IN CIVIL CONFINEMENT FOR SAFEGUARDING WHEN SO REQUESTED BY MILITARY AUTHORITY; COSTS OF REWARDS AND REIMBURSEMENT FOR EXPENSES INCURRED; AND COST OF TRANSPORTATION, LODGING AND SUBSISTENCE OF A GUARD SENT IN PURSUIT OF AN ABSENTEE MEMBER.

PART II - JUSTIFICATION OF FUNDS REQUESTED

PRIOR YEAR COSTS ARE UTILIZED AS THE BASIS FOR DEVELOPING THE ESTIMATES. THE ESTIMATE REFLECTS REWARDS OF \$50.00 FOR APPREHENSION AND \$75.00 FOR APPREHENSION AND RETURN TO MILITARY CONTROL. THE ESTIMATE ALSO REFLECTS FINANCIAL RESPONSIBILITY FOR GUARD/ESCORT TRAVEL IN CONNECTION WITH THE MEMBER'S FURTHER RETURN TO PERMANENT DUTY STATION.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996	FY 1997	FY 1998	FY 1999
APPREHENSION	\$737	\$790	\$807	\$826
TOTAL 6-A	\$737	\$790	\$807	\$826

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-B INTEREST ON SAVINGS DEPOSIT

-FY 1999	ESTIMATE	\$10
-FY 1998	ESTIMATE	\$20
-FY 1997	ESTIMATE	\$30
-FY 1996	ESTIMATE	\$36

PART I - PURPOSE AND SCOPE

FUNDS ARE REQUESTED TO PROVIDE PAYMENT OF INTEREST FOR SERVICE MEMBERS PARTICIPATING IN THE SERVICEMEN'S SAVINGS DEPOSIT PROGRAM.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE SERVICEMEN'S SAVINGS DEPOSIT PROGRAM WAS REINSTATED FOR THE PARTICIPANTS IN OPERATION DESERT SHIELD/STORM AND SERVING IN THE AREAS OF OPERATION JOINT ENDEAVOR. THIS PROGRAM ALLOWS MEMBERS TO DEPOSIT THEIR MONEY INTO THE SAVINGS PROGRAM AND TO BE REIMBURSED 10% INTEREST ON ALL DEPOSITS.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
INTEREST			\$36			\$30			\$20			\$10
TOTAL 6-B			36			30			20			10

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-C DEATH GRATUITIES

-FY 1999 ESTIMATE \$1,806  
-FY 1998 ESTIMATE \$1,806  
-FY 1997 ESTIMATE \$1,806  
-FY 1996 ESTIMATE \$1,620

PART I - PURPOSE AND SCOPE

FUNDS REQUESTED FOR THIS PROJECT PROVIDE FOR PAYMENT OF DEATH GRATUITIES TO BENEFICIARIES OF MILITARY PERSONNEL (10 U.S.C. 1475, AS AMENDED).  
THE DEATH GRATUITY PAYMENT IS \$6,000 EFFECTIVE 2 AUGUST 1990.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FUND REQUIREMENTS ARE BASED ON ACTUAL EXPERIENCE AS TO THE NUMBER OF DEATHS AND THE AVERAGE COST PER PAYMENT.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
OFFICERS	33	\$6,000.00	\$198	30	\$6,000.00	\$180	28	\$6,000.00	\$168	27	\$6,000.00	\$162
ENLISTED	236	6,000.00	1,416	267	6,000.00	1,602	269	6,000.00	1,614	273	6,000.00	1,638
MIDSHIPMEN	1	6,000.00	6	4	6,000.00	24	4	6,000.00	24	1	6,000.00	6
TOTAL 6-C	270		\$1,620	301		\$1,806	301		\$1,806	301		\$1,806

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-D UNEMPLOYMENT COMPENSATION,  
PAID TO EX-SERVICE MEMBERS

-FY 1999	ESTIMATE	\$76,606
-FY 1998	ESTIMATE	\$80,036
-FY 1997	ESTIMATE	\$84,936
-FY 1996	ESTIMATE	\$80,226

PART I - PURPOSE AND SCOPE

FUNDS ARE FOR PAYMENTS OF UNEMPLOYMENT BENEFITS TO EX-SERVICE MEMBERS WHO ARE DISCHARGED OR RELEASED UNDER HONORABLE CONDITIONS AS PRESCRIBED IN PARAGRAPH (1) OF SECTION 8521(A) OF TITLE 5, UNITED STATES CODE AS AMENDED BY(SECTION 301, P.L. 102-164). GENERALLY, ELIGIBILITY IS DEFINED AS ACTIVE SERVICE IN THE ARMED FORCES WHEREUPON INDIVIDUAL WAS DISCHARGED UNDER HONORABLE CONDITIONS, AND HAD COMPLETED HIS FIRST FULL TERM OF ACTIVE SERVICE; OR WAS DISCHARGED BEFORE COMPLETING HIS FIRST TERM UNDER AN EARLY RELEASE PROGRAM, BECAUSE OF HARSHSHIP, FOR MEDICAL REASONS, OR FOR PERSONALITY DISORDERS OR INAPTITUDE (BUT ONLY IF THE SERVICE WAS CONTINUOUS FOR 365 DAYS OR MORE).

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE NUMBER OF INDIVIDUALS ELIGIBLE FOR UNEMPLOYMENT BENEFIT PAYABLE IN A BENEFIT YEAR IS BASED ON ESTIMATED LOSSES, FACTORED TO EXCLUDE RETIREMENTS FOR OTHER THAN HONORABLE CONDITIONS AS DEFINED BY SECTION 8521(A) OF (TITLE 5, U.S. CODE, AS AMENDED). THEREFORE, MOST UNEMPLOYED EX-SERVICE MEMBERS WILL HAVE A WAITING PERIOD OF NO MORE THAN ONE WEEK VERSUS A 4 WEEK WAIT UNDER THE PRIOR LAW, AND THE NUMBER OF WEEKS AN INDIVIDUAL MAY RECEIVE BENEFITS WILL BE INCREASED FROM 13 WEEKS TO AN AMOUNT COMPUTED UNDER STATE LAW, USUALLY 26 WEEKS FOR MOST STATES.

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
UNEMPLOYMENT COMPENSATION	24,461	\$3,279.78	\$80,226	25,792	\$3,283.09	\$84,936	23,569	\$3,395.81	\$80,036	21,764	\$3,519.84	\$76,606
TOTAL 6-D			\$80,226			\$84,936			\$80,036			\$76,606

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-E SURVIVOR'S BENEFITS

-FY 1999	ESTIMATE	\$3,381
-FY 1998	ESTIMATE	\$3,633
-FY 1997	ESTIMATE	\$3,885
-FY 1996	ESTIMATE	\$4,362

PART I - PURPOSE AND SCOPE

FUNDS ARE REQUESTED TO PROVIDE FOR PAYMENTS OF RESTORED SOCIAL SECURITY BENEFITS TO WIDOWS AND ORPHANS OF MILITARY PERSONNEL. THESE BENEFITS WERE WITHDRAWN UNDER PUBLIC LAW 97-35. PUBLIC LAW 97-35 TERMINATED THE "MOTHER'S" BENEFIT WHEN THE LAST CHILD IN CUSTODY OF THE SURVIVING SPOUSE REACHED AGE 16, RATHER THAN 18, AND AFFECTED THE "SCHOOL CHILD" BY EITHER ELIMINATING BENEFIT PAYMENTS OR BY REQUIRING A REDUCTION IN BENEFITS. SECTION 156 OF PUBLIC LAW 97-377 MODIFIED BY SECTION 943 OF THE DOD AUTHORIZATION ACT, FY 1984, P.L. 98-94, 97 STAT., 614, RESTORED THESE SOCIAL SECURITY BENEFITS TO SURVIVORS OF MILITARY MEMBERS AND DIRECTED THE DEPARTMENT OF DEFENSE TO BUDGET FOR THIS REQUIREMENT.

PART II - JUSTIFICATION OF FUNDS REQUESTED

COST ESTIMATES ARE BASED ON CURRENT EXPERIENCE.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
SURVIVOR'S BENEFITS			\$4,362			\$3,885			\$3,633			\$3,381
TOTAL 6-E			\$4,362			\$3,885			\$3,633			\$3,381



(IN THOUSANDS OF DOLLARS)

PROJECT: 6-F EDUCATIONAL BENEFITS

-FY 1999 ESTIMATE \$19,360  
-FY 1998 ESTIMATE \$19,360  
-FY 1997 ESTIMATE \$25,833  
-FY 1996 ESTIMATE \$14,944

PART I - PURPOSE AND SCOPE

FUNDS ARE FOR THE PAYMENT TO THE DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUNDS, A TRUST FUND. THIS PROGRAM IS COVERED BY TITLE 38 U.S.C., CHAPTER 30. THE PROGRAM FUNDS ADDITIONAL AND SUPPLEMENTAL BENEFIT PAYMENTS ABOVE A BASIC BENEFIT TO BE BUDGETED BY THE VETERANS ADMINISTRATION. THIS PROGRAM IS BUDGETED ON AN ACCRUAL BASIS BY THE DEPARTMENT OF DEFENSE. ACTUAL BENEFIT PAYMENTS TO INDIVIDUALS ARE MADE BY THE VETERANS ADMINISTRATION FROM FUNDS TRANSFERRED FROM THE TRUST ACCOUNT. THE NAVY COLLEGE FUND PROGRAM ATTRACTS MEMBERS FOR THREE AND FOUR YEAR COMMITMENTS PRIMARILY INTO UNDERMANNED OR HARD TO FILL RATINGS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

THE NAVY COLLEGE FUND IS A CRITICAL ELEMENT IN NAVY'S RECRUITING STRATEGY. THE PURPOSE OF THE NAVY COLLEGE FUND IS TO EXPAND THE RECRUITING MARKET TO INCLUDE COLLEGE BOUND YOUTH. THE ALLURE OF A COLLEGE EDUCATION DOMINATES THE PLANS OF 60-80% OF ALL HIGH SCHOOL SENIORS AND REPRESENTS A MAJOR OBSTRUCTION TO THE RECRUITER. THE NAVY COLLEGE FUND WILL PROVIDE A SOURCE OF HIGH QUALITY RECRUITS, PRIMARILY IN THE CRITICAL SKILL SEA INTENSIVE RATINGS. ADDITIONALLY, BY PROVIDING THE RECRUITERS WITH A TOOL TO ADDRESS THIS MARKET, MANY COLLEGE BOUND YOUTH WHO WOULD NOT OTHERWISE HAVE CONSIDERED THE NAVY, ARE EXPOSED TO THE EDUCATIONAL OPPORTUNITIES AND PROGRAMS THAT THE NAVY PROVIDES. THIS SPINOFF OF THE NAVY COLLEGE FUND PROVIDES AN ADDITIONAL SOURCE OF HIGH QUALITY RECRUITS. THE PROGRAM IS DIRECTED AT THE 17-35 YEAR OLD, NON-PRIOR SERVICE RECRUITS IN ATTITUDE CATEGORY I OR II (MINIMUM ASVAB AFQT OF 50) WITH A HIGH SCHOOL DIPLOMA. ENROLLMENT IN THE MONTGOMERY GI BILL IS REQUIRED. PERSONNEL ENLISTING UNDER THE NAVY COLLEGE FUND ARE NOT ALLOWED TO PARTICIPATE IN THE ENLISTMENT BONUS PROGRAM.

PUBLIC LAW 101-510 ALLOWS SERVICE MEMBERS WHO WERE ON ACTIVE DUTY 30 SEPTEMBER 1990 AND INVOLUNTARY SEPARATED AFTER 3 FEBRUARY 1991, THE OPPORTUNITY TO ENROLL IN THE MONTGOMERY GI BILL. THE FY 1993 DEFENSE AUTHORIZATION ACT ALLOWS MEMBERS EXERCISING THE VSI/SSB OPTIONS TO CONVERT FROM THE VETERANS EDUCATIONAL ASSISTANCE PROGRAM (VEAP) TO THE MONTGOMERY GI BILL AS A RESULT OF CHANGES IN THE LAW, THE SERVICES WILL BE REQUIRED TO MAKE ADDITIONAL CONTRIBUTIONS TO THE DOD EDUCATIONAL BENEFITS FUND.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
NAVY COLLEGE FUND PROGRAM												
(4 YEAR COMMITMENT)	7,409	\$1,554.00	\$11,514	9,599	\$2,080.00	\$19,965	9,356	\$1,678.00	\$15,699	9,356	\$1,678.00	\$15,699
(3 YEAR COMMITMENT)	273	\$2,088.00	\$573	0	\$2,180.00	\$0	0	\$1,799.00	\$0	0	\$1,799.00	\$0
MONTGOMERY GI BILL												
a. INVOLUNTARY SEPARATION			2857			3750			3066			3066
b. VSI/SSB			0			0			0			0
c. AMORTIZATION (UNFUNDED LIABILITY)			0			2118			595			595
TOTAL			2857			5868			3661			3661
TOTAL 6-F			\$14,944			\$25,833			\$19,360			\$19,360

(IN THOUSANDS OF DOLLARS)

PROJECT: 6-C ADOPTION EXPENSES

-FY 1999	ESTIMATE	\$272
-FY 1998	ESTIMATE	\$272
-FY 1997	ESTIMATE	\$272
-FY 1996	ESTIMATE	\$264

PART I - PURPOSE AND SCOPE

FUNDS ARE REQUESTED TO PROVIDE REIMBURSEMENT FOR QUALIFYING ADOPTION EXPENSES UNDER THE PROVISIONS OF (10 U.S.C. CHAPTER 53, SECTION 1053)

PART II - JUSTIFICATION OF FUNDS REQUESTED

ALL ACTIVE DUTY INDIVIDUALS WHO INITIATE ADOPTION PROCEEDINGS, ARE ELIGIBLE TO RECEIVE REIMBURSEMENT FOR EXPENSES RELATED TO THE ADOPTION OF A CHILD UNDER 18 YEARS OF AGE. REIMBURSEMENT, WHICH IS MADE ONLY AFTER THE ADOPTION IS FINAL, IS LIMITED TO NOT MORE THAN \$2,000 TO A MEMBER OF THE ARMED FORCES OR, TO TWO SUCH MEMBERS WHO ARE SPOUSES OF EACH OTHER, FOR EXPENSES INCURRED IN THE ADOPTION OF A CHILD. A MAXIMUM OF NOT MORE THAN \$5,000 MAY BE PAID TO ANY MEMBER OR TWO SUCH MEMBERS WHO ARE SPOUSES IN ANY CALENDAR YEAR.

COMPUTATION OF FUND REQUIREMENTS IS PROVIDED IN THE FOLLOWING TABLE:

	FY 1996			FY 1997			FY 1998			FY 1999		
	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT	NUMBER	RATE	AMOUNT
ADOPTION EXPENSES			\$264			\$272			\$272			\$272
TOTAL 6-C			264			272			272			272
TOTAL OBLIGATIONS			102,189			117,552			105,934			102,261
LESS REIMBURSABLE OBLIGATIONS			0			0			0			0
TOTAL DIRECT OBLIGATIONS			\$102,189			\$117,552			\$105,934			\$102,261

SECTION 5  
NAVY MILITARY PERSONNEL ASSIGNED OUTSIDE DOD  
(END STRENGTH)

	FY 1996			FY 1997			FY 1998			FY 1999		
	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL	OFFICER	ENLISTED	TOTAL
ASSIGNED OUTSIDE DOD:												
NON-REIMBURSABLE PERSONNEL:												
EXECUTIVE OFFICE OF THE PRESIDENT	7	8	15	7	8	15	7	8	15	7	8	15
OFFICE OF THE VICE PRESIDENT	0	10	10	0	10	10	0	10	10	0	10	10
STATE DEPARTMENT	6	1	7	6	1	7	6	1	7	6	1	7
STATE DEPT (U.N. TRUCE SUPERVISION)	8	0	8	8	0	8	8	0	8	8	0	8
JUSTICE DEPARTMENT	1	0	1	1	0	1	1	0	1	1	0	1
ENERGY DEPARTMENT	8	0	8	8	0	8	8	0	8	8	0	8
NAT'L DRUG INTERDICTION PROGRAM	11	8	19	8	8	16	8	8	16	0	0	0
CLASSIFIED ACTIVITIES	0	0	0	0	0	0	0	0	0	0	0	0
COMMERCE DEPARTMENT (NOAA)	3	2	5	3	2	5	3	2	5	3	2	5
DEPT OF TRANSP (COAST GUARD)	1	0	1	1	0	1	1	0	1	1	0	1
SUB-TOTAL NON-REIMBURSABLE PROGRAM	45	29	74	42	29	71	42	29	71	34	21	55
REIMBURSABLE PERSONNEL:												
EXECUTIVE OFFICE OF THE PRESIDENT	0	0	0	0	0	0	0	0	0	0	0	0
ARMS CONT'L & DISARMAMENT AGENCY	5	0	5	5	0	5	5	0	5	5	0	5
STATE DEPARTMENT	0	0	0	0	0	0	0	0	0	0	0	0
DEPT OF TRANSP (MARITIME)	0	0	0	0	0	0	0	0	0	0	0	0
DEPT OF TRANSP (FAA)	4	0	4	4	0	4	4	0	4	4	0	4
DEPT OF TRANSP (COAST GUARD)	35	0	35	38	0	38	36	0	36	36	0	36
DEPT OF TRANSP (MERCHANT MARINE ACADE)	2	1	3	2	1	3	2	1	3	2	1	3
NASA	15	0	15	16	0	16	17	0	17	17	0	17
OFFICE OF PHYSICIAN TO CONGRESS	6	8	14	5	10	15	5	10	15	5	10	15
CLASSIFIED ACTIVITIES	10	4	14	11	5	16	11	5	16	11	5	16
ENERGY DEPARTMENT (DOE)	3	0	3	3	0	3	3	0	3	3	0	3
DEPARTMENT OF COMMERCE	0	0	0	0	0	0	0	0	0	0	0	0
SUB-TOTAL REIMBURSABLE PERSONNEL	80	13	93	84	16	100	83	16	99	83	16	99
TOTAL OUTSIDE DOD	125	42	167	126	45	171	125	45	170	117	37	154
ASSIGNED TO DOD ACTIVITIES:												
REIMBURSABLE PERSONNEL:												
DEFENSE BUSINESS OPERATING FUND:												
DBOF - NAVY	1022	2822	3844	1085	2789	3874	1059	2453	3512	1056	2441	3497
DBOF - DEFENSE	238	183	421	277	178	455	263	200	463	257	200	457
DBOF - TOTAL	1260	3005	4265	1362	2967	4329	1322	2653	3975	1313	2641	3954
STATE DEPARTMENT (CB'S)	1	85	86	1	103	104	1	103	104	1	103	104
NATIONAL SCIENCE FOUNDATION	84	444	528	86	420	506	29	168	197	1	1	2
FOREIGN MILITARY SALES	74	171	245	113	191	304	112	190	302	112	190	302
SUB-TOTAL DOD REIMBURSABLE PERSONNEL	1419	3705	5124	1562	3681	5243	1464	3114	4578	1427	2935	4362
TOTAL NON-REIMBURSABLE PERSONNEL	45	29	74	42	29	71	42	29	71	34	21	55
TOTAL REIMBURSABLE PERSONNEL	1499	3718	5217	1646	3697	5343	1547	3130	4677	1510	2951	4461
GRAND TOTAL	1544	3747	5291	1688	3726	5414	1589	3159	4748	1544	2972	4516

REIMBURSABLE PROGRAM  
MILITARY PERSONNEL, NAVY  
(In Thousands of Dollars)

	FY 1996	FY 1997	FY 1998	FY 1999
SUBSISTENCE: (SIC)				
	0	39,047	38,816	38,491
SALE OF MEALS - BULK SUBSISTENCE	0	39,047	38,816	38,491
MEDICAL:	0	0	0	0
OTHER NON-STRENGTH RELATED:	100	100	100	100
OTHER MILITARY COSTS	100	100	100	100
STRENGTH RELATED:	250,031	234,397	226,486	217,016
OFFICERS	123,287	122,030	123,185	120,332
BASIC PAY	(74,124)	(84,932)	(75,198)	(73,630)
RETIRED PAY ACCRUAL	(24,386)	(25,989)	(22,860)	(22,162)
ENLISTED	117,891	103,824	94,863	88,596
BASIC PAY	(72,607)	(68,169)	(59,643)	(55,966)
RETIRED PAY ACCRUAL	(23,857)	(20,660)	(18,198)	(16,824)
SUBSISTENCE: (BAS)	5,101	5,043	4,938	4,588
PCS TRAVEL	3,652	3,500	3,500	3,500
TOTAL PROGRAM	250,131	273,544	265,402	255,607

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## REIMBURSABLES FOR FY 1998/1999 PRESIDENT'S BUDGET

NAVY ACTIVITIES	FY 1996 Actuals				FY 1997				FY 1998				FY 1999			
	E/S		TOTAL	\$000	E/S		TOTAL	\$000	E/S		TOTAL	\$000	E/S		TOTAL	\$000
	OFF	ENL			OFF	ENL			OFF	ENL			OFF	ENL		
DEPOT MAINTENANCE - SHIPYARDS	163	150	313	14,901	163	68	231	14,310	157	56	213	14,464	157	56	213	14,768
DEPOT MAINTENANCE AVIATION (NADEPS)	30	46	76	5,791	33	30	63	3,509	29	29	58	3,323	29	29	58	3,392
DEPOT MAINTENANCE ORDNANCE (NOC/NWS)	52	676	728	23,092	64	651	715	18,964	70	602	672	22,556	70	602	672	23,030
BASE SUPPORT (PWCS)	107	1	108	6,618	108	0	108	7,478	110	0	110	8,001	110	0	110	8,170
TRANSPORTATION COMSC (AG/SAG 4040)	117	939	1,056	35,337	109	1,074	1,183	39,729	131	890	1,021	35,231	131	882	1,013	35,717
RESEARCH & DEVELOPMENT ACTIVITIES	324	627	951	45,759	376	609	985	46,023	347	566	913	43,396	345	561	906	43,878
NRL	18	52	70	3,139	19	55	74	2,907	14	69	83	3,076	14	69	83	3,140
NAVFACENGVCC*	4	0	4	288	4	0	4	309	0	0	0	0	0	0	0	0
NSWC	108	234	340	16,362	116	245	361	16,122	111	202	313	15,190	111	202	313	15,456
NUWC	25	118	143	4,684	24	30	54	2,861	21	32	53	2,683	21	32	53	2,739
NAWC	111	158	269	14,716	143	239	382	17,465	133	224	357	16,002	132	219	351	16,025
NCCOSC (AG/SAG 6868)	60	65	125	6,570	70	40	110	6,359	68	39	107	6,445	67	39	106	6,518
INFORMATION SERVICES	31	32	63	5,113	40	18	58	3,371	33	15	48	2,971	32	16	48	2,998
FMSO	14	0	14	1,448	18	0	18	1,447	19	0	19	1,592	19	0	19	1,626
NCTC	17	32	49	3,665	22	18	40	1,924	14	15	29	1,379	13	16	29	1,372
COMNAVSUPSYSCOM	198	351	549	21,935	192	339	531	22,106	182	295	477	21,274	182	295	477	21,721
TOTAL NAVY DBOF	1,022	2,822	3,844	156,546	1,085	2,789	3,874	155,490	1,059	2,453	3,512	151,216	1,056	2,441	3,497	153,674
* Moved to Base Support (PWC's) starting FY 1998																
DEFENSE AGENCIES	238	183	421	30,900	277	178	455	28,838	263	200	463	29,332	257	200	457	29,545
JLSC	1	0	1	400	5	1	6	500	5	1	6	592	5	1	6	605
DFAS	14	17	31	1,400	15	8	23	1,500	21	33	54	1,800	21	33	54	1,900
DECA	0	23	23	3,000	0	1	1	38	0	1	1	40	0	1	1	40
DISA	4	15	19	1,000	9	21	30	700	9	21	30	1,700	9	21	30	1,700
DLA	102	8	110	9,000	121	14	135	9,300	117	14	131	10,000	113	14	127	10,100
Distribution Depots	37	0	37	3,278	49	0	49	3,401	47	0	47	3,856	45	0	45	3,856
Supply Management	62	8	70	5,272	69	10	79	5,414	67	10	77	5,776	65	10	75	5,868
Reut & Mktg	1	0	1	321	1	4	5	347	1	4	5	204	1	4	5	205
Information Services	2	0	2	129	2	0	2	138	2	0	2	164	2	0	2	171
USTRANSCOM	117	120	237	16,100	127	133	260	16,800	111	130	241	15,200	109	130	239	15,200
TOTAL DBOF	1,260	3,005	4,265	189,446	1,362	2,967	4,329	184,328	1,322	2,653	3,975	180,548	1,313	2,641	3,954	183,219
FOREIGN MILITARY SALES (FMS)	74	171	245	16,178	113	191	304	14,706	112	190	302	14,728	112	190	302	14,790
OTHER GOVERNMENT AGENCIES (OGA)	165	542	707	44,507	171	539	710	37,429	113	287	400	31,310	85	120	205	19,107
Department of Transportation	37	0	37	3,269	38	0	38	3,261	36	0	36	3,277	36	0	36	3,281
Merchant Marine Academy	2	1	3	258	2	1	3	172	2	1	3	249	2	1	3	257
Off of Attending Physicians	4	9	13	1,042	5	10	15	993	5	10	15	1,021	5	10	15	1,052

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## REIMBURSABLES FOR FY 1998/1999 PRESIDENT'S BUDGET

NAVY ACTIVITIES	FY 1996 Actuals				FY 1997				FY 1998				FY 1999			
	OFF	E/S	ENL	TOTAL	OFF	E/S	ENL	TOTAL	OFF	E/S	ENL	TOTAL	OFF	E/S	ENL	TOTAL
NSF (Operation Deep-Freeze)	74	437	511	31,754	86	420	506	24,064	29	168	197	17,293	1	1	2	4,763
Federal Aviation Agency	1	0	1	344	4	0	4	343	4	0	4	377	4	0	4	388
US Arms Control Agency	7	0	7	524	5	0	5	521	5	0	5	548	5	0	5	565
NASA	30	0	30	1,116	16	0	16	1,704	17	0	17	1,873	17	0	17	1,929
Department of State - Seabees	1	89	90	4,625	1	103	104	4,751	1	103	104	4,961	1	103	104	5,109
Other Agency (CIA)	6	6	12	1,301	11	5	16	1,348	11	5	16	1,423	11	5	16	1,466
Department of Energy	3	0	3	274	3	0	3	272	3	0	3	288	3	0	3	297
SALES OF MEALS -BULK SUBSISTENCE			0	0				39,047				38,816				38,491
TOTAL ANTICIPATED REMB FY 98/99 BUDGET	1,499	3,718	5,217	250,131	1,646	3,697	5,343	275,510	1,547	3,130	4,677	265,402	1,510	2,951	4,461	255,607
Variance	0	0	0	0	0	0	0	-1,966	0	0	0	0	0	0	0	0
TOTAL ACCEPTANCES NOT RECEIVED	1,499	3,718	5,217	250,131	1,646	3,697	5,343	273,544	1,547	3,130	4,677	265,402	1,510	2,951	4,461	255,607

COM BATING TERRORISM FUNDING SUMMARY

M I L I T A R Y P E R S O N N E L , N A V Y  
(Dollars in M illions)

SERVICE/AGENCY

<u>MPN</u>	<u>Subactivity Description</u>	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>
BA 1 -	Pay & Allowances of Officers:	\$32.8	\$32.8	\$32.3	\$32.7
BA 2 -	Pay & Allowances of Enlisted:	\$215.3	\$209.2	\$201.9	\$198.6
BA 4 -	Subsistence of Enlisted Personnel:	\$9.9	\$14.4	\$14.3	\$14.3
BA 5 -	Permanent Change of Station:	\$9.6	\$9.0	\$9.0	\$8.9
TOTAL COMPONENT		\$267.6	\$265.5	\$257.6	\$254.5